

**Schedule R
(Form 1040)**

Department of the Treasury
Internal Revenue Service

**Credit for the Elderly or for the
Permanently and Totally Disabled**

▶ For Paperwork Reduction Act Notice, see separate Instructions.

▶ Attach to Form 1040.

▶ See separate Instructions for Schedule R.

OMB No. 1545-0074

1986

Attachment
Sequence No. **17**

Name(s) as shown on Form 1040

Your social security number

You may be able to use Schedule R to reduce your tax if by the end of 1986:

- You were 65 or over, **OR**
- You were under 65, you retired on permanent and total disability, and you received taxable disability income.

Even if one of the situations described above applies to you, you must meet other tests to be able to take the credit on Schedule R. See the separate Schedule R Instructions for details.

Note: IRS can figure this credit and your tax for you. See page 13 of the Form 1040 Instructions.

Part I Check the Box That Applies to Your Filing Status and Age (Check only one box)

| If your filing status is: | And by the end of 1986: | Check box: |
|---|--|-----------------------------------|
| Single* | 1 You were 65 or over | 1 <input type="checkbox"/> |
| | 2 You were under 65 and you retired on permanent and total disability | 2 <input type="checkbox"/> |
| <i>* Includes head of household and qualifying widow(er) with dependent child</i> | | |
| Married filing a joint return | 3 Both spouses were 65 or over | 3 <input type="checkbox"/> |
| | 4 Both spouses were under 65, but only one spouse retired on permanent and total disability | 4 <input type="checkbox"/> |
| | 5 Both spouses were under 65, and both retired on permanent and total disability | 5 <input type="checkbox"/> |
| | 6 One spouse was 65 or over, and the other spouse was under 65 and retired on permanent and total disability | 6 <input type="checkbox"/> |
| | 7 One spouse was 65 or over, and the other spouse was under 65 and NOT retired on permanent and total disability | 7 <input type="checkbox"/> |
| | 8 You were 65 or over, and you did not live with your spouse at any time in 1986 | 8 <input type="checkbox"/> |
| | 9 You were under 65, you retired on permanent and total disability, and you did not live with your spouse at any time in 1986 | 9 <input type="checkbox"/> |
| Married filing a separate return | | |

Note: If you checked the box on line 1, 3, 7, or 8, skip Part II and complete Part III. If you checked the box on line 2, 4, 5, 6, or 9, complete Parts II and III.

Part II Statement of Permanent and Total Disability (Complete only if you checked the box on line 2, 4, 5, 6, or 9 above)

IF: 1 You filed a physician's statement for this disability for 1983 or an earlier year, or you filed a statement for tax years after 1983 and your physician checked Box B on the statement, **AND**

2 Due to your continued disabled condition you were unable to engage in any substantial gainful activity in 1986, check this box. ▶

If you checked this box, you do not have to file another statement for 1986. If you did not check this box, have your physician complete the following statement:

Physician's Statement

I certify that _____
Name of disabled person

was permanently and totally disabled on January 1, 1976, or January 1, 1977, **OR** was permanently and totally disabled on the date he or she retired. Date retired if retired after December 31, 1976. ▶ _____

Physician: Sign your name on **either** line A or B below and check the box to the right of your signature.

| | | | |
|--|-----------------------|------|-----------------------------------|
| A The disability has lasted, or can be expected to last, continuously for at least a year | Physician's signature | Date | A <input type="checkbox"/> |
| B There is no reasonable probability that the disabled condition will ever improve | Physician's signature | Date | B <input type="checkbox"/> |

| | |
|------------------|---------------------|
| Physician's name | Physician's address |
|------------------|---------------------|

Instructions for Statement

Taxpayer

Enter in the space provided the date you retired if you retired after December 31, 1976.

Physician

A person is permanently and totally disabled when—

- He or she cannot engage in any substantial gainful activity because of a physical or mental condition; and

- A physician determines that the disability:

1. has lasted, or can be expected to last, continuously for at least a year; or
2. can be expected to lead to death.

Part III Figure the Amount of Your Credit

| | | | | |
|---|-------------------|-------------------|-------------------|-------|
| <p>10 Enter: \$5,000 if you checked the box on line 1, 2, 4, or 7 in Part I, OR \$7,500 if you checked the box on line 3, 5, or 6 in Part I, OR \$3,750 if you checked the box on line 8 or 9 in Part I.</p> | <p>10</p> | | | |
| <p>Caution: If you checked the box on line 2, 4, 5, 6, or 9 in Part I, you MUST complete line 11 below. Otherwise, skip line 11 and enter the amount from line 10 on line 12.</p> | | | | |
| <p>11 Enter on this line your taxable disability income (and also your spouse's if you checked the box on line 5 in Part I) that you reported on Form 1040. However, if you checked the box on line 6 in Part I, enter on this line the taxable disability income of the spouse who was under age 65 PLUS \$5,000. (For more details on what to include, see the Instructions.)</p> | | <p>11</p> | | |
| <p>12 If you completed line 11 above, compare the amounts on lines 10 and 11, and enter the smaller of the two amounts on this line. Otherwise, enter the amount from line 10 on this line.</p> | <p>12</p> | | | |
| <p>13 Enter the following pensions, annuities, or disability income that you (and your spouse if you file a joint return) received in 1986:</p> | | <p>13a</p> | | |
| <p>a Nontaxable part of social security benefits.</p> <p>b Nontaxable part of railroad retirement benefits treated as social security; and Nontaxable veterans' pensions; and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law.</p> | | | <p>13b</p> | |
| <p>c Add lines 13a and 13b. (Even though these income items are not subject to income tax, they must be included to figure your credit.) If you did not receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c.</p> | <p>13c</p> | | | |
| <p>14 Enter the amount from Form 1040, line 33.</p> | | <p>14</p> | | |
| <p>15 Enter: \$7,500 if you checked the box on line 1 or 2 in Part I, OR \$10,000 if you checked the box on line 3, 4, 5, 6, or 7 in Part I, OR \$5,000 if you checked the box on line 8 or 9 in Part I.</p> | <p>15</p> | | | |
| <p>16 Subtract line 15 from line 14. Enter the result. If line 15 is more than line 14, enter -0-.</p> | | <p>16</p> | | |
| <p>17 Divide the amount on line 16 by 2. Enter the result.</p> | <p>17</p> | | | |
| <p>18 Add lines 13c and 17. Enter the total.</p> | | <p>18</p> | | |
| <p>19 Subtract line 18 from line 12. Enter the result. If the result is zero or less, stop here; you cannot take the credit. Otherwise, go on to line 21.</p> | <p>19</p> | | | |
| <p>20 Percentage used to figure the credit.</p> | | <p>20</p> | | x .15 |
| <p>21 Multiply the amount on line 19 by the percentage (.15) on line 20 and enter the result. This is your credit for the elderly or for the permanently and totally disabled. Also enter this amount on Form 1040, line 42.</p> | <p>21</p> | | | |