

# MICHIGAN 1996 Senior Citizen Prescription Drug Credit Claim

You may apply for this credit only if you or your spouse is age 65 or older.

Issued under P.A. 281 of 1967. Filing is voluntary.

a.	b.	c.
d.		
e.		

▶ 1. Your First Name, Middle Initial and Last Name  If a Joint Return, Spouse's First Name, Middle Initial and Last Name  Home Address (No., Street, P.O. Box or Rural Route)  City State ZIP Code	▶ 2. Your Social Security Number
	▶ 3. Spouse's Social Security Number
	▶ 4. <b>AGE.</b> Check the box if you or your spouse was You Spouse age 65 or older as of ▶ a. <input type="checkbox"/> ▶ b. <input type="checkbox"/> December 31, 1996.

**Limitations** To be eligible for this credit, you must be age 65 or older and your household income must be less than **\$11,610** for single persons or **\$15,540** for married people. If you or your spouse lived in a licensed health care facility, see instructions on back.

▶ 5. **Licensed Health Care Facility Residents (see instructions for definition):**  
Check the box if you or your spouse lived in a licensed health care facility for 6 consecutive months in 1996..... You Spouse  
▶ a.  ▶ b.

**1996 Household Income (see instructions)**

6. Enter your household income on this line.  
This amount is on your 1996 MI-1040CR-7 (line 30), 1996 MI-1040CR (line 30) or 1996 MI-1040CR-2 (line 29)..... ▶ 6. \_\_\_\_\_ .00

**Your Credit Amount**

7. How much did you spend for your prescription drugs in 1996? Include your drug costs only if you are age 65 or older and your spouse's costs only if your spouse is age 65 or older..... ▶ 7. \_\_\_\_\_ .00

8. How much of line 7 was paid by or reimbursed to you by insurance? ..... ▶ 8. \_\_\_\_\_ .00

9. Subtract line 8 from line 7..... 9. \_\_\_\_\_ .00

10. Multiply your household income (line 6) by 5% (.05)..... 10. \_\_\_\_\_ .00

11. **Your Credit.** Subtract line 10 from line 9..... ▶ 11. \_\_\_\_\_ .00  
(Maximum \$600 for single persons, \$1,200 for married people both age 65 or older.)

**The amount of your credit may be reduced by state law.**

I declare, under penalty of perjury, that the information in this claim and attachments is true and complete to the best of my knowledge. <input type="checkbox"/> I authorize Treasury to discuss my claim and attachments with my preparer. <input type="checkbox"/> Do not discuss with my preparer.		I declare, under penalty of perjury, that this claim is based on all information of which I have knowledge.  Preparer's Signature, Address, Phone and ID No.
Your Signature	Date	
Spouse's Signature	Date	

To be eligible you must file this claim by **June 2, 1997.**  
Claims will be paid after August 1, 1997.

**Mail To:** Michigan Department of Treasury  
Lansing, MI 48956

# HOW TO FILE YOUR PRESCRIPTION DRUG CREDIT CLAIM

Michigan's prescription drug credit program was created to help low income senior citizens pay for drugs prescribed for them by their doctor. To receive a credit, you must be a Michigan resident, you must have had your 65th birthday on or before December 31, 1996, and you must meet the income requirements on the form.

## Special instructions for married people

- You must claim this credit jointly. Include income from both spouses in household income on line 6.
- If one of you is under age 65, you cannot claim a credit for that person's prescription drugs, and your maximum credit is \$600. For example: You are age 67 and paid \$400 for your prescription drugs in 1996. Your spouse is 64 and paid \$300 for prescription drugs. Enter \$400 on line 7.

## Special instructions for part-year residents and claims for deceased taxpayers

A part-year resident may claim a credit for the prescription drug costs paid while a Michigan resident. Include in your household income (line 6) only the income received while you were a Michigan resident. Annualize your household income to make sure you qualify.

The estate of a qualified taxpayer who died in 1996 (or 1997 before filing a 1996 claim) may be entitled to a credit. If the taxpayer does not have a surviving spouse, annualize income to make sure he or she qualifies.

**To annualize income:** divide 366 by the number of days the claimant was a Michigan resident in 1996; then multiply the answer by the claimant's income. If the annualized income is more than \$11,610 (for single filers) or more than \$15,540 (for married filers), do not file this form. If the annualized income is less than these limits, figure the credit using the actual household income on line 6.

## Licensed health care facility residents

If you lived in a licensed health care facility at least six consecutive months in 1996, you cannot claim this credit. A licensed health care facility is a nursing home, a hospital long-term care unit, a county medical care facility or a mental health facility. Check the box on **line 5** if this applies to you.

A married filer whose spouse is not eligible for this credit because he or she lived in a licensed health care facility may still claim a credit (maximum \$600). You must still include income from both spouses in household income.

**Subsidized senior citizen apartments, adult foster care homes and licensed homes for the aged are not licensed health care facilities. If you live in any of these, you may apply for a credit.**

## Household income

You probably completed a schedule of household income with your property tax credit claim or your home heating credit claim. If you did, enter your total household income on line 6. If you did not, request one of these forms (see below); complete the household income schedule portion of the home heating credit claim (MI-1040CR-7, lines 13 - 30), property tax credit claim (MI-1040CR, lines 13 - 30), or property tax credit claim for veterans and blind people (MI-1040CR-2, lines 12 - 29); and enter your household income on **line 6** of this form.

## Line-by-line instructions

Lines not listed are explained on the form.

**Line 4:** To file this form, you or your spouse must have been age 65 or older in 1996.

**Line 7:** This includes the medications your doctor prescribed for you, and insulin, syringes and needles. It does not include over-the-counter medicines like aspirin and cough syrup.

**Line 8:** Frequently insurance companies or Medicare will reimburse you for a portion of your prescription costs. You must subtract the portion they pay directly to you from the amount you paid.

**Line 11:** If line 9 is greater than line 10, you qualify for a credit. Enter the difference between line 9 and line 10 on line 11. It cannot be more than \$600 (\$1,200 for married couples filing jointly).

## Filing instructions

You may file this claim with your income tax return, home heating credit or property tax credit claim if you are filing any of these. **Do not staple it to your return; fold it and leave it loose in the envelope.** State law prevents Treasury from processing claims filed after June 2, 1997. **Treasury will not issue any prescription drug credit refunds until after August 1, 1997.**

State law limits the total amount for all prescription drug credits to \$20 million. If the total credits claimed is more than \$20 million, all credits will be reduced proportionally. Because of this, the amount of your actual credit may be less than what you claimed.

Treasury field offices no longer prepare credit claims. If you need additional help, call 1-800-487-7000.

## Deaf, hearing or speech impaired persons

call 517-373-9419 (TDD) or the Michigan Relay Center at 1-800-649-3777.

## Mail your claim to:

Michigan Department of Treasury  
Lansing, MI 48956