

# Medical Savings Accounts and Long-Term Care Insurance Contracts

▶ **Attach to Form 1040.**

▶ **See separate instructions.**

Name(s) shown on return

Social security number of MSA  
account holder. If both spouses  
have MSAs, see instructions ▶

## Section A. Medical Savings Accounts (MSAs)

### **Part I** General Information—*You MUST complete this part if you (or your spouse, if filing a joint return) had an MSA for 1997 (even if the contributions to the MSA were made by your employer or your spouse's employer).*

		Yes	No
1a Did you have an MSA for 1997? . . . . .	<b>1a</b>		
b If "Yes," were you a previously uninsured account holder (see instructions for definition)? . . . . .	<b>1b</b>		
c If line 1a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only OR <input type="checkbox"/> Family			
2a If you were married, did your spouse have an MSA for 1997? . . . . .	<b>2a</b>		
b If "Yes," was your spouse a previously uninsured account holder (see instructions for definition)? . . . . .	<b>2b</b>		
c If line 2a is "Yes," indicate coverage under high deductible health plan: <input type="checkbox"/> Self-Only OR <input type="checkbox"/> Family			

### **Part II** MSA Contributions and Deductions—*See instructions before completing this part. If you and your spouse each have high deductible health plans with self-only coverage, check here* *If you check this box, attach a separate Part II for each spouse (see instructions).*

3a Were any employer contributions made to your MSA(s)? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No			
b Enter all employer contributions to your MSA(s) for 1997 ▶ .....			
4 Enter MSA contributions that you made for 1997, including those made from 1/1/98 through 4/15/98 that were for 1997. Do not include amounts rolled over from another MSA (see instructions) . . . . .	<b>4</b>		
5 Enter your limitation from the worksheet on page 3 of the instructions . . . . .	<b>5</b>		
6 Enter your compensation (see instructions) from the employer maintaining the high deductible health plan. If you (and your spouse, if filing a joint return) have more than one plan, see instructions. (If self-employed, enter your earned income from the trade or business for which the high deductible health plan was established.) . . . . .	<b>6</b>		
7 <b>MSA deduction.</b> Enter the <b>smallest</b> of lines 4, 5, and 6 here and on Form 1040, line 24 . . . . . <b>Note:</b> If line 4 is more than line 7, you may have to pay an additional tax. See instructions for details.	<b>7</b>		

### **Part III** MSA Distributions

8a Enter the total MSA distributions you and your spouse received from all MSAs during 1997 (see instructions) . . . . .			
b Enter any distributions included on line 8a that you rolled over to another MSA (see instructions). Also enter any excess contributions (and the earnings on those excess contributions) included on line 8a that were withdrawn by the due date of your return . . . . .	<b>8b</b>		
c Subtract line 8b from line 8a . . . . .	<b>8c</b>		
9 Enter your total unreimbursed qualified medical expenses (see instructions) . . . . .	<b>9</b>		
10 <b>Taxable MSA distributions.</b> Subtract line 9 from line 8c. If zero or less, enter -0-. Enter the result here. If line 10 is more than zero, also include it in the total on Form 1040, line 21. On the dotted line next to line 21, enter "MSA" and show the amount . . . . .	<b>10</b>		
11a If you meet any of the <b>Exceptions to 15% Tax</b> (see instructions), check here . . . . . <input type="checkbox"/>			
b Otherwise, multiply line 10 by 15% (.15). Enter the result here and include it in the total on Form 1040, line 53. On the dotted line next to line 53, enter "MSA" and the amount . . . . .	<b>11b</b>		

Name of policyholder (as shown on Form 1040)

Social security number of policyholder ▶

Section B. Long-Term Care (LTC) Insurance Contracts—See the instructions, including Filing Requirements for Section B, before completing this section.

If more than one Section B is attached, check here . . . . . ▶

12a Name of insured ▶ ..... b Social security number of insured ▶ .....

13 Are there individuals other than you who received payments on a per diem or other periodic basis in 1997 under a qualified LTC insurance contract, or received accelerated death benefits in 1997 under a life insurance policy, covering the insured listed on line 12a above? . . . . .  Yes  No

14 Was the insured a terminally ill individual? . . . . .  Yes  No
Note: If "Yes," and if the only payments you received during the year were accelerated death benefits received because the insured was terminally ill, skip lines 15 through 23 and enter -0- on line 24.

15 Gross LTC payments received on a per diem or other periodic basis. Enter the total amounts from box 1 of all Forms 1099-LTC that you received with respect to the insured listed on line 12a above if the "Per diem" box is checked in box 3 of Form 1099-LTC . . . . . 15

16 Enter the portion of the amount you entered on line 15 that is from qualified LTC insurance contracts . . . . . 16

17 Accelerated death benefits received on a per diem or other periodic basis.
Note: If you checked the "Yes" box in question 14 above, do not include on line 17 amounts received because the insured was terminally ill. See instructions . . . . . 17

18 Add lines 16 and 17. . . . . 18

If you checked "Yes" to question 13 above, see the instructions for line 13 before completing lines 19 through 23.

19 Multiply \$175 by the number of days of the LTC period . . . . . 19

20 Enter the costs incurred for qualified LTC services provided for the insured during the LTC period (see instructions) . . . . . 20

21 Enter the larger of line 19 or line 20 . . . . . 21

22 Enter total reimbursements received for qualified LTC services provided for the insured during the LTC period . . . . . 22

Caution: If you received any reimbursements from LTC contracts issued before August 1, 1996, see instructions.

23 Per diem limitation. Subtract line 22 from line 21 . . . . . 23

24 Taxable payments. Subtract line 23 from line 18. Enter the result but do not enter less than zero. If the result is more than zero, also include it in the total on Form 1040, line 21. On the dotted line next to line 21, enter "LTC" and the amount. . . . . 24

