

## ARKANSAS INDIVIDUAL INCOME TAX RETIREMENT EXCLUSION WORKSHEET Filing Status 2 (Married Filing Joint)

Name	Social Security Number
------	------------------------

**The purpose of this form is to show the calculation used for the 65 special tax credit and/ or 6,000 retirement exclusion for taxpayers using filing status 2 (Married Filing Joint). Complete the lines below for both taxpayer and spouse. For the 6,000 retirement exclusion eligibility, see the AR1000F/AR1000NR instruction booklet.**

**Taxpayer:** Employer pension plans or qualified IRAs

1a. Gross Distribution Amount (1099R, Box 1) .....	1a.	00
1b. Rollover Amount (if any) .....	1b.	00
1c. Total Gross Distribution, Add lines 1a and 1b .....	1c.	00
1d. Taxable Amount (See instructions) .....	1d.	00
1e. Retirement Exclusion .....	1e.	6,000 00
1 f. Retirement Amount (Subtract line 1e from 1d) Do not enter less than 0.....	1 f.	00

**Spouse:** Employer pension plans or qualified IRAs:

2a. Gross Distribution Amount (1099R, Box 1) .....	2a.	00
2b. Rollover Amount (if any) .....	2b.	00
2c. Total Gross Distribution, Add lines 2a and 2b .....	2c.	00
2d. Taxable Amount (See instructions) .....	2d.	00
2e. Retirement Exclusion .....	2e.	6,000 00
2 f. Retirement Amount (Subtract line 2e from 2d) Do not enter less than 0.....	2 f.	00

3a. <b>Gross Distribution:</b> Add lines 1c and 2c, enter total amount here and on Line 17A, Gross Distribution box. ....	3a.	00
3b. <b>Taxable Amount:</b> Add lines 1d and 2d, enter total amount here and on Line 17A, Taxable Amount box. ....	3b.	00

**Any taxpayer age 65 or over not claiming the retirement exclusion on Line 17A of form AR1000F/AR1000NR is eligible for an additional tax credit. Check the box(es) marked "65 Special". You cannot take both the "65 Special" tax credit and the retirement exclusion.**

**Taxpayer: Complete Line 4a or Line 4b.**

4a. If not claiming the 65 special credit, enter total amount from Line 1f here. ....	4a.	00
4b. If claiming the 65 special credit, enter total amount from line 1d here. ....	4b.	00

**Spouse: Complete Line 5a or Line 5b.**

5a. If not claiming the 65 special credit, enter total amount from Line 2f here. ....	5a.	00
5b. If claiming the 65 special credit, enter total amount from line 2d here. ....	5b.	00

6. Total Retirement Amount: Add Lines 4a through 5b enter here and on AR1000F/AR1000NR, Line 17A, Column A. ....	6.	00
--	----	----

**If you received income from an employer sponsored retirement plan, including disability retirement, that is not exempt under IRC §104, the first \$6,000 is exempt from tax. For tax years 2003 and later,** if you contributed after tax dollars to your plan, you are allowed to recover your cost (investment) in your retirement plan in accordance with Internal Revenue Code §72. Then the first \$6,000 of the balance is exempt from tax. (If you received income from military retirement, you may adjust your figures if the payment included Survivor's Benefit Payments. The amount of adjustment must be listed on the income statement, and supporting documentation must be submitted with the return.)

**If you received a traditional IRA distribution after reaching age fifty-nine and one-half (59 1/2), the first \$6,000 is exempt from tax.**

Your traditional IRA distribution may be adjusted for nondeductible IRA contributions, if any, by completing **Federal Form 8606** and attaching it to your Arkansas return. Premature distributions made on account of the participant's death or disability also qualify for the exemption. **All other premature distributions or early withdrawals including, but not limited to, those taken for medical expenses, higher education expenses or a first-time home purchase do not qualify for the exemption.**

A surviving spouse qualifies for the exemption; however he/she is limited to a single \$6,000 exemption.

Total exemptions from all plans **described above cannot exceed \$6,000 per taxpayer, not including recovery of cost.**

Any taxpayer **age 65 or over** not claiming a retirement income exemption on Line 17 is eligible for an additional tax credit per taxpayer. Check the box(es) marked "65 Special".

### **Section I**

Complete the AR-RET form for the taxpayer and/or spouse that received income from an employment related pension or a qualified traditional IRA distribution after reaching age fifty-nine and one-half (59 1/2).

**Gross Distribution Amount:** Enter the total amount from all 1099Rs, box 1. Do not include the distribution that is considered a rollover.

**Rollover Amount (if any):** Any distribution that qualifies as a rollover, enter total amount from the 1099-R, box 1.

**Total Gross Distribution:** Add lines Gross Distribution box 1a and Rollover amount box 1b.

**Taxable Amount:** Employment related pension or a qualified traditional IRA distribution after reaching age fifty-nine and one-half (59 1/2), enter the total taxable amount(s) from box 2a of 1099-R(s). If Box 2a is blank, use the Simplified Method Worksheet in the federal 1040 Instruction Booklet to calculate the taxable amount of your distribution.

**Retirement Exclusion:** Each taxpayer is allowed the retirement exclusion up to \$6,000. The retirement cannot exceed \$6000 per taxpayer, not including recovery cost.

**Taxable Retirement Income:** Subtract line 1e from line 1d. Do not enter less than zero. If box 2a of 1099-R is blank and Federal simplified method worksheet is not used or if unable to determine the taxable amount, subtract line 1e from 1a.

### **Section II – Filing Status**

Complete the section below that matches the state filing status shown on the AR1000F/AR1000NR.

Any taxpayer **age 65 or over** not claiming the retirement exclusion on Line 17 is eligible for an additional tax credit. Check the box(es) marked "65 Special". You cannot take both the "65 Special" tax credit and the retirement income exemption.

If claiming the 65 special, you must complete the appropriate line (If claiming the 65 Special tax credit).

If claiming the retirement exclusion, you must complete the appropriate line (If not claiming the 65 Special tax credit).