

# Archer MSAs and Long-Term Care Insurance Contracts

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 1040.**

▶ **See separate instructions.**

Attachment  
Sequence No. **39**

Name(s) shown on return

Social security number of MSA  
account holder. If both spouses  
have MSAs, see page 1 ▶

**Section A. Archer MSAs.** If you have only a Medicare+Choice MSA, skip Section A and complete Section B.

**Part I General Information.** See page 1 of the instructions.

		Yes	No
1a Did you or your employer make contributions to your Archer MSA for 2001? . . . . .	<b>1a</b>		
b If "Yes," were you uninsured when the MSA was established (see page 2 of the instructions)? . . . . .	<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 married, did your spouse or spouse's employer make contributions to your spouse's Archer MSA for 2001? . . . . .	<b>2a</b>		
b If "Yes," was your spouse uninsured when the MSA was established (see page 2 of the instructions)? . . . . .	<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 Archer MSA Contributions and Deductions.** See page 2 of the 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, complete a separate Part II for each spouse (see page 2 of the instructions).

3a Were any employer contributions made to your Archer MSA(s) for 2001? . <input type="checkbox"/> Yes <input type="checkbox"/> No			
b Enter all employer contributions to your Archer MSA(s) for 2001 ▶ .....			
4 Enter Archer MSA contributions that you made for 2001, including those made from January 1, 2002, through April 15, 2002, that were for 2001. Do not include rollovers (see page 4 of the 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 page 3 of the instructions) from the employer maintaining the high deductible health plan. If you (and your spouse, if married filing jointly) have more than one plan, see <b>How To Complete Part II</b> on page 2 of the instructions. (If self-employed, enter your earned income from the trade or business under which the high deductible health plan was established.)	<b>6</b>		
7 <b>Archer MSA deduction.</b> Enter the <b>smallest</b> of line 4, 5, or 6 here and on Form 1040, line 25 .	<b>7</b>		

**Note:** If line 4 is more than line 7, you may have to pay an additional tax. See page 3 of the instructions for details.

**Part III Archer MSA Distributions**

8a Enter the total Archer MSA distributions you and your spouse received in 2001 from all Archer MSAs (see page 4 of the instructions) . . . . .			
b Enter any distributions included on line 8a that you rolled over to another Archer MSA (see page 4 of the instructions). Also include 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 page 4 of the instructions) . . . . .	<b>9</b>		
10 <b>Taxable Archer MSA distributions.</b> Subtract line 9 from line 8c. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "MSA" and the amount . . . . .	<b>10</b>		
11a If any of the distributions included on line 10 meet any of the <b>Exceptions to the 15% Tax</b> (see page 4 of the instructions), check here . . . . . ▶ <input type="checkbox"/>	<b>11a</b>		
b <b>Additional 15% Tax</b> (see page 4 of the instructions). Enter 15% (.15) of the distributions included on line 10 that are subject to the 15% tax. Also include this amount in the total on Form 1040, line 58. On the dotted line next to line 58, enter "MSA" and the amount . . . . .	<b>11b</b>		

**Section B. Medicare+Choice MSA Distributions.**

If you are married filing jointly and both you and your spouse received distributions in 2001 from a Medicare+Choice MSA, complete a separate Section B for each spouse. See page 5 of the instructions.

12 Enter the total distributions you received in 2001 from all Medicare+Choice MSAs . . . . .			
13 Enter your total unreimbursed qualified medical expenses (see page 5 of the instructions) . . . . .	<b>13</b>		
14 <b>Taxable Medicare+Choice MSA Distributions.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "Med+MSA" and the amount . . . . .	<b>14</b>		
15a If any of the distributions included on line 14 meet any of the <b>Exceptions to the 50% Tax</b> (see page 5 of the instructions), check here . . . . . ▶ <input type="checkbox"/>	<b>15a</b>		
b <b>Additional 50% Tax.</b> See page 5 of the instructions. Also include this amount in the total on Form 1040, line 58. On the dotted line next to line 58, enter "Med+MSA" and the amount . . . . .	<b>15b</b>		

Name of policyholder (as shown on Form 1040)

Social security number of policyholder ▶ : : :

**Section C. Long-Term Care (LTC) Insurance Contracts.**

See **Filing Requirements for Section C** on page 7 of the instructions before completing this section.

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

**16a** Name of insured ▶ ..... **b** Social security number of insured ▶ : : :

**17** In 2001, did anyone other than you receive payments on a per diem or other periodic basis under a qualified LTC insurance contract covering the insured or receive accelerated death benefits under a life insurance policy covering the insured? . . . . .  **Yes**  **No**

**18** Was the insured a terminally ill individual? . . . . .  **Yes**  **No**

**Note:** If "Yes" and the **only** payments you received in 2001 were accelerated death benefits that were paid to you because the insured was terminally ill, skip lines 19 through 27 and enter -0- on line 28.

**19** Gross LTC payments received on a per diem or other periodic basis. Enter the total of the amounts from box 1 of all Forms 1099-LTC you received with respect to the insured on which the "Per diem" box in box 3 is checked . . . . .

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**Caution:** Do **not** use lines 20 through 28 to figure the taxable amount of benefits paid under an LTC insurance contract that is not a **qualified** LTC insurance contract. Instead, if the benefits are not excludable from your income (for example, if the benefits are not paid for personal injuries or sickness through accident or health insurance), report the amount not excludable as income on Form 1040, line 21.

**20** Enter the part of the amount on line 19 that is from **qualified** LTC insurance contracts . . . . .

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**21** Accelerated death benefits received on a per diem or other periodic basis. Do not include any amounts you received because the insured was terminally ill. See page 6 of the instructions . . . . .

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**22** Add lines 20 and 21 . . . . .

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**Note:** If you checked "Yes" on line 17 above, see the instructions for line 17 on page 6 before completing lines 23 through 27.

**23** Multiply \$200 by the number of days in the LTC period . . . . .

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**24** Enter the costs incurred for qualified LTC services provided for the insured during the LTC period (see page 7 of the instructions). . . . .

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**25** Enter the **larger** of line 23 or line 24 . . . . .

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

<b>26</b>		
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**Caution:** If you received any reimbursements from LTC contracts issued before August 1, 1996, see page 7 of the instructions.

**27** Per diem limitation. Subtract line 26 from line 25 . . . . .

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**28** **Taxable payments.** Subtract line 27 from line 22. If zero or less, enter -0-. Also include this amount in the total on Form 1040, line 21. On the dotted line next to line 21, enter "LTC" and the amount. . . . .

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