

CHANGE ANNOUNCEMENT

COST SHARING FORMS EFFECTIVE: JUNE 16, 2006

CHANGES:

The calculating and non-calculating versions of the Cost Sharing for Ranch/Farm/Business worksheet have been revised. The revision removes from the two forms the lines for reporting IRA Distributions (Line 15a, Form 1040), Taxable IRA Distributions (Line 15b, Form 1040), Pension and Annuities (Line 16a, Form 1040) and Taxable Pension and Annuities (Line 16b, Form 1040).

Due to the complex IRS rules and instructions for what is to be reported on lines 15a, 15b, 16a and 16b of the 1040, it would be extremely difficult for staff to accurately know when to use and not use the amounts reported on each of those lines on the 1040. The revision basically means that only the taxable portion of IRA, Pension and Annuity Distributions, included in the amount on line 22 of the 1040, will be used in determining Gross Income.

The Financial Participation Worksheets (calculating and non-calculating) are being re-titled. This was a suggestion from the field so that the four worksheets related to cost sharing would be listed together on VRIS in Printed and Marketing Materials: Case Service Forms and Worksheets.

VRIS UPDATE

The reference to the Financial Participation worksheets in the Cost Sharing Chapter has been revised to reflect the new titles for the two versions of the Cost Sharing/Financial Participation worksheets.

FORMS REVISED

Cost Sharing/Financial Participation (calculating) - New title
Cost Sharing/Financial Participation (non-calculating) - New title
Cost Sharing for Farmers/Ranchers/Business (calculating) - Revised formula
Cost Sharing for Farmers/Ranchers/Business (non-calculating) - Revised formula

MONITORING REQUIREMENTS

Destroy any copies of the above referenced forms that were downloaded and printed prior to this announcement.

LEADERSHIP CONTACT

Pat Bracken	471-6320	pat.bracken@vr.ne.gov
Cheryl Ferree	471-3652	cheryl.ferree@vr.ne.gov
Dennis King	471-7827	dennis.king@vr.ne.gov