



## General Instructions

Section references are to the Internal Revenue Code.

### Purpose of Form

Use Form 8880 to figure the amount, if any, of your retirement savings contributions credit.



*This credit may be claimed in addition to any IRA deduction claimed on Form 1040, line 25, or Form 1040A, line 17.*

### Who Can Take This Credit

You may be able to take this credit if you, or your spouse if filing jointly, made (a) contributions (other than rollover contributions) to a traditional or Roth IRA, (b) elective deferrals to a 401(k), 403(b), governmental 457, SEP, or SIMPLE plan, (c) voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the Federal Thrift Savings Plan), or (d) contributions to a 501(c)(18)(D) plan.

However, you cannot take the credit if either of the following applies:

- The amount on Form 1040, line 37, or Form 1040A, line 22, is more than \$25,000 (\$37,500 if head of household; \$50,000 if married filing jointly).
- The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1987, (b) is claimed as a dependent on someone else's 2004 tax return, or (c) was a student.

You were a student if during any 5 months of 2004 you:

- Were enrolled as a full-time student at a school or
- Took a full-time, on-farm training course given by a school or a state, county, or local government agency.

A school includes technical, trade, and mechanical schools. It does not include on-the-job training courses, correspondence schools, or night schools.

## Specific Instructions

### Column (b)

Complete column (b) only if you are filing a joint return.

#### Line 2

Include on line 2 any of the following amounts.

- Elective deferrals to a 401(k), 403(b), governmental 457, SEP, or SIMPLE plan.
- Voluntary employee contributions to a qualified retirement plan as defined in section 4974(c) (including the Federal Thrift Savings Plan).
- Contributions to a 501(c)(18)(D) plan.

These amounts may be shown in box 12 of your Form(s) W-2 for 2004.

#### Line 4

Enter the total amount of distributions you, and your spouse if filing jointly, received after 2001 and before the due date of your 2004 return (including extensions) from any of the following types of plans.

- Traditional or Roth IRAs.
- 401(k), 403(b), governmental 457, 501(c)(18)(D), SEP, or SIMPLE plans.
- Qualified retirement plans as defined in section 4974(c) (including the Federal Thrift Savings Plan).

Do not include any:

- Distributions not taxable as the result of a rollover or a trustee-to-trustee transfer.
- Distributions from your IRA (other than a Roth IRA) rolled over to your Roth IRA.
- Loans from a qualified employer plan treated as a distribution.
- Distributions of excess contributions or deferrals (and income allocable to such contributions or deferrals).
- Distributions of contributions made during a tax year and returned (with any income allocable to such contributions) on or before the due date (including extensions) for that tax year.
- Distributions of dividends paid on stock held by an employee stock ownership plan under section 404(k).

If you are filing a joint return, include both spouses' amounts in both columns.

**Exception.** Do not include your spouse's distributions with yours when entering an amount on line 4 if you and your spouse did not file a joint return for the year the distribution was received.

**Example.** You received a distribution of \$5,000 from a qualified retirement plan in 2004. Your spouse received a distribution of \$2,000 from a Roth IRA in 2002. You and your spouse file a joint return in 2004, but did not file a joint return in 2002. You would include \$5,000 in column (a) and \$7,000 in column (b).

### Line 7

Add the amounts from line 6 columns (a) and (b), and enter the total.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 19 min.; **Learning about the law or the form**, 9 min.; **Preparing the form**, 29 min.; **Copying, assembling, and sending the form to the IRS**, 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the Instructions for Form 1040 or Form 1040A.