



**Part III** Dependent Care Benefits

<b>10</b>	Enter the total amount of <b>dependent care benefits</b> you received for 1997. This amount should be shown in box 10 of your W-2 form(s). DO NOT include amounts that were reported to you as wages in box 1 of Form(s) W-2 . . . . .				<b>10</b>		
<b>11</b>	Enter the amount forfeited, if any. See the instructions . . . . .				<b>11</b>		
<b>12</b>	Subtract line 11 from line 10 . . . . .				<b>12</b>		
<b>13</b>	Enter the total amount of <b>qualified expenses</b> incurred in 1997 for the care of the <b>qualifying person(s)</b> . . . . .	<b>13</b>					
<b>14</b>	Enter the <b>smaller</b> of line 12 or 13 . . . . .	<b>14</b>					
<b>15</b>	Enter YOUR <b>earned income</b> . . . . .	<b>15</b>					
<b>16</b>	If married filing a joint return, enter YOUR SPOUSE'S earned income (if student or disabled, see the line 5 instructions); if married filing a separate return, see the instructions for the amount to enter; <b>all others</b> , enter the amount from line 15 . . . . .	<b>16</b>					
<b>17</b>	Enter the <b>smallest</b> of line 14, 15, or 16 . . . . .	<b>17</b>					
<b>18</b>	<b>Excluded benefits.</b> Enter here the <b>smaller</b> of the following: <ul style="list-style-type: none"> <li>• The amount from line 17, or</li> <li>• \$5,000 (\$2,500 if married filing a separate return <b>and</b> you were required to enter your spouse's earned income on line 16).</li> </ul>				<b>18</b>		
<b>19</b>	<b>Taxable benefits.</b> Subtract line 18 from line 12. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, write "DCB" . . . . .				<b>19</b>		

To claim the child and dependent care credit, complete lines 20-24 below.

<b>20</b>	Enter \$2,400 (\$4,800 if two or more qualifying persons) . . . . .				<b>20</b>		
<b>21</b>	Enter the amount from line 18 . . . . .				<b>21</b>		
<b>22</b>	Subtract line 21 from line 20. If zero or less, <b>STOP</b> . You cannot take the credit. <b>Exception.</b> If you paid 1996 expenses in 1997, see the line 9 instructions . . . . .				<b>22</b>		
<b>23</b>	Complete line 2 on the front of this form. DO NOT include in column (c) any excluded benefits shown on line 18 above. Then, add the amounts in column (c) and enter the total here . . . . .				<b>23</b>		
<b>24</b>	Enter the <b>smaller</b> of line 22 or 23. Also, enter this amount on line 3 on the front of this form and complete lines 4-9 . . . . .				<b>24</b>		

