





**Instructions for PA-40 Schedule O**  
Other Deductions

PA-40 O IN 02-22

**GENERAL INFORMATION**

**PURPOSE OF SCHEDULE**

Use PA-40 Schedule O to report the amount of deductions for contributions to Medical Savings or Health Savings Accounts and/or the amount of contributions to an IRC Section 529 Qualified Tuition Program and/or IRC Section 529A Pennsylvania ABLE Savings Program by the taxpayer and/or spouse.

**RECORDING DOLLAR AMOUNTS**

Show money amounts in whole-dollars only. Eliminate any amount less than \$0.50 and increase any amount that is \$0.50 or more to the next highest dollar.

**WHO MUST COMPLETE**

PA-40 Schedule O must be completed and included with an originally filed PA-40, Personal Income Tax Return, if the taxpayer and/or spouse made contributions to a Medical Savings or Health Savings Account and/or made contributions to an IRC Section 529 Qualified Tuition Program and/or IRC Section 529A Pennsylvania ABLE Savings Program and the taxpayer and/or spouse wish to take an amount as a deduction on Line 10 of the PA-40, Personal Income Tax Return.

An amended PA Schedule O must be included with Schedule PA-40 X if increases or decreases in other deduction amounts on PA Schedule O are discovered after an original or other amended return is filed with the department. Section III on Page 2 of Schedule PA-40 X must be completed to explain any increase or decrease to the amount of contributions and resulting deduction reported on an amended PA-40, Personal Income Tax Return.

**SCHEDULE INSTRUCTIONS**

**IDENTIFICATION INFORMATION**

**NAME**

Enter the name of the taxpayer. If a jointly filed return, enter the name of the primary taxpayer (name shown first on the PA-40, Personal Income Tax Return). Enter the primary taxpayer's name even when only reporting the other deductions for the spouse on a return filed using the Married, Filing Jointly filing status.

**SOCIAL SECURITY NUMBER**

Enter the Social Security number (SSN) of the taxpayer. Enter the primary taxpayer's SSN also when reporting only the other deductions for the spouse on a return filed using the Married, Filing Jointly filing status.

**LINE INSTRUCTIONS**

**SECTION I**

**IRC SECTION 529 QUALIFIED TUITION PROGRAM CONTRIBUTIONS**

**LINE 1**

**COLUMN (a)**

Enter the name of each beneficiary for whom an IRC Section 529 Qualified Tuition Program contribution was made during the tax year.

**IMPORTANT:** Only include contributions made on behalf of a beneficiary up to and including Dec. 31 of the tax year. Contributions made after Dec. 31 of the tax year and before the April 15 of the following tax year may only be included on the following tax year's return.

**COLUMN (b)**

Enter the corresponding Social Security number for each beneficiary listed in Column (a).

**COLUMNS (c) AND (d)**

Enter the amount contributed on behalf of each beneficiary by the taxpayer and/ or spouse in the appropriate column.

**REMINDER:** Include the amount of any IRC Section 529 contribution reported and made from the immediately preceding tax year's PA-40 Schedule P, Refund Donations to Pennsylvania 529 College Savings Program Accounts.

**CAUTION:** Do not include more than \$15,000 per beneficiary in Column (c) or more \$15,000 per beneficiary in Column (d).

**TIP** If there are more than 10 beneficiaries for which a deduction is claimed, please include a statement showing each beneficiary's name Social Security number and the amount of the deduction claimed for each of the beneficiaries by the taxpayer and/ or spouse.

**LINE 2**

**COLUMNS (c) AND (d)**

Add the amounts for Columns (c) and/or (d) and enter the total.


## SECTION II

### IRC SECTION 529A PENNSYLVANIA ABLE SAVINGS ACCOUNT PROGRAM CONTRIBUTIONS

#### LINE 3

##### COLUMN (a)

Enter the name of each beneficiary for whom an IRC Section 529A Pennsylvania ABLE Savings Program contribution was made during the tax year.


 **IMPORTANT:** Only include contributions made on behalf of a beneficiary up to and including Dec. 31 of the tax year. Contributions made after Dec. 31 of the tax year and before the April 15 of the following tax year may only be included on the following tax year's return.

##### COLUMN (b)

Enter the corresponding Social Security number for each beneficiary listed in Column (a).

##### COLUMNS (c) AND (d)


Enter the amount contributed on behalf of each beneficiary by the contributor (taxpayer and/or spouse) in the appropriate column.

 **TIP** If there are more than three beneficiaries for which a deduction is claimed, please include a statement showing the name, Social Security number and the amount of the deduction claimed by the contributor for each beneficiary.

#### LINE 4

##### COLUMNS (c) AND (d)

Add the amounts for Columns (c) and/or (d) and enter the total.

 **CAUTION:** The maximum contributions to any one Pennsylvania ABLE Savings Program account by one or more contributors cannot exceed the annual federal gift tax exclusion amount. In addition, the maximum contributions by a contributor to one or more accounts cannot exceed the annual federal gift tax exclusion amount. The current annual federal gift tax exclusion amount is \$15,000.

## SECTION III

### OTHER DEDUCTIONS AND LIMITATIONS

#### LINE 5

##### COLUMNS (c) AND (d)


Enter the amount of Medical Savings Account contributions

for the taxpayer and/or spouse allowed for federal income tax purposes included in Line 23 of federal Form 1040, Schedule 1.

#### LINE 6

##### COLUMNS (c) AND (d)

Enter the amount of Health Savings Account contributions for the taxpayer and/or spouse allowed for federal income tax purposes included on Line 13 of federal Form 1040, Schedule 1.

 **TIP** If claiming either of the deductions on Line 5 or Line 6 of this schedule, a copy of Pages 1 and 2 of federal Form 1040 along with a copy of Form 1040, Schedule 1 must be included with the PA-40, Personal Income Tax Return.

#### LINE 7


##### COLUMNS (c) AND (d)

Add the amounts in Columns (c) and/or (d) from Lines 2, 4, 5 and 6 together and enter the results here.

#### LINE 8

##### COLUMNS (c) AND (d)

Enter the total income included in Line 9 of the PA-40, calculated for the taxpayer and spouse separately.

 **NOTE:** When added together, the amounts reported separately for the taxpayer and/or spouse for Line 8 of PA Schedule O should equal Line 9 of the PA-40.

#### LINE 9

##### COLUMNS (c) AND (d)

Compare the amounts on Lines 7 and 8 for Columns (c) and/or (d). Enter the lesser of the amounts for each column.

#### LINE 10

Add the amounts for Columns (c) and (d) from Line 9 together. Enter the Total Other Deductions amount here and on Line 10 of the PA-40, Personal Income Tax Return.