

**SCHEDULE M**  
**(Form 1040A or 1040)**

**Making Work Pay and Government  
Retiree Credits**

OMB No. 1545-0074

**2009**

Attachment  
Sequence No. **166**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040A, 1040, or 1040NR.**

▶ **See separate instructions.**

Name(s) shown on return

Your social security number

**1a Important:** See the instructions if you can be claimed as someone else's dependent or are filing Form 1040NR. Check the "No" box below and see the instructions if **(a)** you have a net loss from a business, **(b)** you received a taxable scholarship or fellowship grant not reported on a Form W-2, **(c)** your wages include pay for work performed while an inmate in a penal institution, **(d)** you received a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan, or **(e)** you are filing Form 2555 or 2555-EZ.

Do you (and your spouse if filing jointly) have 2009 wages of more than \$6,451 (\$12,903 if married filing jointly)?

**Yes.** Skip lines 1a through 3. Enter \$400 (\$800 if married filing jointly) on line 4 and go to line 5.

**No.** Enter your earned income (see instructions) . . . . .

**b** Nontaxable combat pay included on line 1a (see instructions) . . . . .

**2** Multiply line 1a by 6.2% (.062) . . . . .

**3** Enter \$400 (\$800 if married filing jointly) . . . . .

**4** Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a) . . . . .

**5** Enter the amount from Form 1040, line 38\*, or Form 1040A, line 22 . . . . .

**6** Enter \$75,000 (\$150,000 if married filing jointly) . . . . .

**7** Is the amount on line 5 more than the amount on line 6?

**No.** Skip line 8. Enter the amount from line 4 on line 9 below.

**Yes.** Subtract line 6 from line 5 . . . . .

**8** Multiply line 7 by 2% (.02) . . . . .

**9** Subtract line 8 from line 4. If zero or less, enter -0- . . . . .

**10** Did you (or your spouse, if filing jointly) receive an economic recovery payment in 2009? You may have received this payment if you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits (see instructions).

**No.** Enter -0- on line 10 and go to line 11.

**Yes.** Enter the total of the payments received by you (and your spouse, if filing jointly). Do not enter more than \$250 (\$500 if married filing jointly) . . . . .

**11** Did you (or your spouse, if filing jointly) receive a pension or annuity in 2009 for services performed as an employee of the U.S. Government or any U.S. state or local government from work **not** covered by social security? Do not include any pension or annuity reported on Form W-2.

**No.** Enter -0- on line 11 and go to line 12.

**Yes.** • If you checked "No" on line 10, enter \$250 (\$500 if married filing jointly and the answer on line 11 is "Yes" for both spouses)  
• If you checked "Yes" on line 10, enter -0- (exception: enter \$250 if filing jointly and the spouse who received the pension or annuity did not receive an economic recovery payment described on line 10) . . . . .

**12** Add lines 10 and 11 . . . . .

**13** Subtract line 12 from line 9. If zero or less, enter -0- . . . . .

**14** **Making work pay and government retiree credits.** Add lines 11 and 13. Enter the result here and on Form 1040, line 63; Form 1040A, line 40; or Form 1040NR, line 60 . . . . .

\*If you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico, see instructions.