

## THIS IS NOT A BILL!

You had an Unemployment Insurance overpayment during 2011. Payments applied to your unemployment insurance debt can be used as a credit on your federal income tax return for the year in which the repayment was made.

During 2011, repayments of \$---- were applied to your unemployment insurance overpayment. This amount is what you would report on your 2011 federal income tax return. Your repayment could have been made through a personal payment or a state warrant or refund intercept from the Department of Revenue.

If you have an overpayment balance after December 31, 2011, and payments or intercepts are received and applied to your debt during 2012, these would be reported when you file your federal income tax return next year.

Please see the enclosed "Commonly Asked Questions on Unemployment Insurance Benefit Overpayments of and Your Income Taxes" for more information.

If you have additional questions, please call the Overpayment Unit at (406) 444-3783.

**NOTE: IF YOU RECEIVED UNEMPLOYMENT INSURANCE BENEFITS DURING 2011, YOUR 1099-G WILL BE MAILED SEPARATELY FROM THIS NOTICE.**

## **COMMONLY ASKED QUESTIONS ON UNEMPLOYMENT INSURANCE BENEFIT OVERPAYMENTS AND YOUR INCOME TAXES**

**Question #1: I received unemployment insurance, then it was determined I was overpaid. How is that reported to the Internal Revenue Service?**

**Answer:** We send the total amount of unemployment compensation paid to you and others on your behalf for the year, including any Child Support and taxes, to the Internal Revenue Service even if an overpayment was later established. You are responsible for deducting any cash repayments you have sent to the Unemployment Insurance Division towards the overpayment. The net result is the total amount of unemployment compensation received in 2011. Refer to instructions in your Form 1040 instruction booklet under the heading “Line 19 - Unemployment Compensation” or Form 1040 EZ instructions under “Line 3: Unemployment Compensation.”

**Question #2: Do I deduct offsets taken from my unemployment check?**

**Answer:** Offsets taken from your unemployment check by our agency have already been deducted from the amount of unemployment compensation we reported for you to the Internal Revenue Service and included on your Form 1099-G. Do not report offsets taken from checks as repayments.

**Question #3: How do I report my repayments when I’m filing my taxes?**

**Answer:** If you received an overpayment of unemployment compensation paid in 2011 and you repaid any of it by check or money order, subtract the amount you repaid in 2011 (shown on the attached letter) from the total amount received as shown on your 1099-G. Enter the result on the appropriate line of your 1040 tax form. Also, enter “Repaid” and the amount you repaid on the dotted line next to line 19 on form 1040 or line 3 on form 1040EZ.

**Question #4: What if my overpayment was from a prior year and my repayments were made this year?**

**Answer:** If, in 2011, you repaid unemployment compensation that was included in your gross income from an earlier year, you may deduct the amount on Schedule A. Refer to instructions in your Form 1040 booklet.

**Question #5: I didn’t get or can’t find the 1099-G you sent. Can I get another?**

**Answer:** You can go on-line to [UI4U.mt.gov](http://UI4U.mt.gov) to view and print a copy of your 1099-G, or, you can call our IVR number, (406) 444-9800, to get the amount shown on your form. Use your IVR PIN to access the information either on-line or via the IVR. Since you do not need to submit the 1099-G to the IRS, this will give you the information needed.

**Questions #6: I have a question about my unemployment insurance overpayment or want to repay the amount owing. Who do I call?**

**Answer:** Our UI Benefit Overpayments staff is happy to answer your overpayment questions and work with you to repay the amount due. Please call (406) 444-3783.