Application for the Difficulty of Care Federal/State Income Tax Exclusion

Consumer/Waiver Participant Name:	Consumer/Waiver Participant ID:	MassHealth ID or Last 4 of SSN:
Consumer/Waiver Participant Address:		
PCA/Direct Care Worker Name:	PCA/Direct Care Worker ID:	Last 4 Digits of SSN:
PCA/Direct Care Worker Address:		

Section A: Applying for Difficulty of Care Federal and State Income Tax Exclusion

Certain payments received by an employee for supplying Medicaid services in the Consumer/Waiver Participant home are considered Difficulty of Care payments that can be excluded from federal and Massachusetts state income tax. To determine if you are eligible for the income tax exclusion, complete the following steps. If you are eligible, Tempus Unlimited will not report the payments as income and will not withhold federal and state income taxes.

STEP 1: Read the information about the Difficulty of Care Federal Income Tax Exclusion. You can read the information that is found on the IRS Website at https://www.irs.gov/individuals/certain-medicaid-waiver- payments-may-be-excludable-from-income.

STEP 2: Check **all** that apply:

- ☐ **I supply services to the Consumer/Waiver Participant in my home.**
  (NOTE: The Consumer/Waiver Participant receiving care must live in the same house as the Personal Care Attendant/Direct Care Worker regardless of who owns the home.)
- ☐ **I do not have a separate home where I live.**
- ☐ **This is the home where I live and regularly perform the routines of private life, including shared meals and holidays with family.**

STEP 3: If you checked all three, you are eligible for the Difficulty of Care Federal/State Income Tax Exclusion.

Under penalties of lying under oath, I declare that I am a Personal Care Attendant (PCA)/Direct Care Worker (DCW) receiving payments under a Medicaid Home and Community-Based Services Program. I live in a home with, and provide services to, the Consumer/Waiver Participant listed at the top of this form. In reliance on my declaration, I understand Tempus Unlimited will not report my compensation as federal and state taxable wages and will not withhold or remit federal and state income taxes on my behalf.

IMPORTANT: If you no longer live with the Consumer/Waiver Participant you provide services to, you must notify your employer and submit the Difficulty of Care Termination (Section B below) to Tempus Unlimited to remove the exclusion.

PCA/DCW Signature:_____ **Date:** _____

Section B: Terminating Difficulty of Care Federal and State Income Tax Exclusion

Under penalties of lying under oath, I declare that I no longer reside with a Consumer/Waiver Participant that I provide servicesto and I am no longer eligible for the Difficulty of Care Federal/State Income Tax Exclusion.

PCA/DCW Signature:_____**Date:** _____

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