



2017 Tax Year Credit Information for Families



These charts provide information about tax credits that you may be eligible for as you file your 2017 taxes. While care has been taken to provide you with accurate information, please note that CCSA staff are not tax experts. We hope you find this information helpful. Enclosed you will also find a list of VITA tax filing sites, which may be able to provide you with free tax filing services. Please feel free to contact our office if we can be of further assistance with any of your child care needs.

Type of Credit	Description	Requirements for Child(ren) being Claimed	Amount of Credit or Refund	Income Eligibility Limits	Forms and Documents to Refer to
Federal Credits (1-800-829-1040) or www.irs.gov/individuals/topic					
Child Tax Credit (CTC)	Non-refundable* credit that families may claim for each qualifying child, in addition to the DCTC.	Under age 17 US Citizen or US Resident Alien	No more than \$1,000 per child (credit is scheduled to expire at the end of 2017; revert to \$500 in TY 2018).	\$75,000 (filing single) \$110,000 (married filing jointly). Credit reduced by \$50 for every \$1000 over thresholds.	IRS Form 1040 or 1040A and Publication 972
Additional Child Tax Credit (ACTC)	Refundable credit that families may claim for each qualifying child if the full amount of the CTC cannot be claimed.	Under age 17 US Citizen or US Resident Alien	Up to 15% of your family's earned income (after subtracting \$3,000), but no more than the unclaimed portion of the CTC.	\$75,000 (filing single) \$110,000 (married filing jointly).	IRS Schedule 8812
Child & Dependent Care Tax Credit (DCTC)	Non-refundable credit for work-related child care expenses. Expenses cannot exceed \$3,000 for 1 child or \$6,000 for 2+ children. (will need care provider's SS# or EIN#).	Under age 13	1 Child: 20-35% of expenses, up to \$1,050 2+ Children: 20-35% of expenses, up to \$2,100	No eligibility limits, but amount of credit will depend on income level.	IRS Form 2441 and Publication 503
Earned Income Tax Credit (EITC)	Refundable credit available to low-income, working individuals and families.	Under age 19, or under age 24 if a full-time student, or have permanent and total disability	1 Child: up to \$3,400 2 Children: up to \$5,616 3+ Children: up to \$6,318 (improvements extended through Dec. 2017 via the American Taxpayer Relief Act of 2012)	<u>Single</u> w/1 Child: \$39,617 w/2 Children: \$45,007 w/3+ Children: \$48,340 <u>Married Filing Jointly</u> w/1 Child: \$45,207 w/2 Children: \$50,597 w/3+ Children: \$53,930	IRS Form 1040 or 1040A and Publication 596 For AEIC, a W-5 form must also be completed & submitted to employer
North Carolina Credits (1-877-252-3052) www.dornc.com <i>The Tax Simplification and Reduction Act (House Bill 998) was signed into law on July 23, 2013. Under this new law, all taxpayers will be taxed at a lower rate and be granted a higher standard deduction. The Act made significant changes to the individual income tax law for tax years beginning on or after January 1, 2014. Child & Dependent Care Tax Credit and the EITC are no longer available.</i>					
Child Tax Credit	Non-refundable state credit for each child claimed as a dependent on your federal tax return.	Under age 17	\$100 per child \$125 per child	\$50,000 (filing single) \$100,000 (married filing jointly) \$20,000 (filing single) \$40,000 (married filing jointly)	Form D-400TC part 2
Affordable Care Act: www.healthcare.gov					
Premium Tax Credit	Financial Assistance to help people buy health insurance www.healthcare.gov enroll between 11/1/17-12/15/17	No Age Limit	Families with incomes up to 133% of the federal poverty level will be required to contribute no more than 2% of their income toward their monthly premiums, while families with incomes between 300-400% of the federal poverty level will be required to contribute no more than 9.5% of their income. Covers difference between actual cost of health insurance plan & family's contribution – Paid directly to insurer.	Family of four - household incomes between \$24,600 - \$98,400 (Lawfully residing immigrants with incomes below 100% of poverty who are ineligible for Medicaid in their state because they resided in the U.S. for less than five years can qualify for Premium Tax Credits.)	Form-8962 (you will receive Form 1095-A in the mail, which is required to file Federal Income Taxes)

Notes: *A refundable credit means that if the amount of credit you qualify for is more than the taxes you owe, the IRS/state tax agency will send you the difference as a refund, even if you do not owe any taxes and are not required to file a tax return based on your income.

**IRS-sponsored Volunteer Income Tax Assistance (VITA) Sites provide free tax help to people with low-to-moderate- income (generally, \$54,000 and below). Call the IRS' free hotline at 1-800-906-9887 to locate a VITA site near you. You can also visit <http://irs.treasury.gov/freetaxprep/>.

***Individuals with income below \$60,000 can use the Free File Program with free tax prep software. Visit <http://freefilealliance.org/> to learn more.