

## **What You Need to Know About the Child Tax Credit**

The Child Tax Credit is a tax credit that may save taxpayers up to \$1,000 for each eligible qualifying child. Taxpayers should make sure they qualify before they claim it. Here are four facts from the IRS on the Child Tax Credit:

### **1. A qualifying child must pass several tests:**

*Age:* The child must have been under age 17 on Dec. 31, 2016.

*Relationship:* The child must be the taxpayer's son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half-brother or half-sister. The child may be a descendant of any of these individuals. A qualifying child could also include grandchildren, nieces or nephews. Taxpayers would always treat an adopted child as their own child. An adopted child includes a child lawfully placed with them for legal adoption.

*Support:* The child must have not provided more than half of their own support for the year.

*Dependent:* The child must be a dependent that a taxpayer claims on their federal tax return.

- *Joint return.* The child cannot file a joint return for the year, unless the only reason they are filing is to claim a refund.
- *Citizenship.* The child must be a U.S. citizen, a U.S. national or a U.S. resident alien.
- *Residence.* In most cases, the child must have lived with the taxpayer for more than half of 2016.

**2. Limitations:** The Child Tax Credit is subject to income limitations. The limits may reduce or eliminate a taxpayer's credit depending on their filing status and income.

**3. Additional Child Tax Credit.** If a taxpayer qualifies and gets less than the full Child Tax Credit, they could receive a refund, even if they owe no tax, with the Additional Child Tax Credit.

**4. Schedule 8812:** If a taxpayer qualifies to claim the Child Tax Credit, they need to check to see if they must complete and attach Schedule 8812, Child Tax Credit, with their tax return. Taxpayers can visit [IRS.gov](http://IRS.gov) to view, download or print IRS tax forms anytime.

Talk with your tax preparer about any questions concerning child tax credit.