Fact Sheet

Module 6: Exemptions

There are two types of exemptions:
- personal exemptions for taxpayer and spouse
- dependency exemptions for dependents

Each exemption reduces the income that is subject to tax by the exemption amount.

Taxpayers cannot claim an exemption for a person who can be claimed as a dependent on another tax return.

**Tap Tip:** The deduction for personal exemptions is suspended (reduced to 0) for tax years 2018 through 2025 by the Tax Cuts and Jobs Act. Although the exemption amount is zero, the ability to claim an exemption may make taxpayers eligible for other tax benefits.
The following table is an excerpt from *Publication 501, Dependents, Standard Deduction, and Filing Status*. See this year's publication for the current gross income threshold amount.

**Table 5. Overview of the Rules for Claiming a Dependent**

*This table is only an overview of the rules. For details, see the rest of this publication.*

- You can't claim any dependents if you, or your spouse if filing jointly, could be claimed as a dependent by another taxpayer.
- You can't claim a married person who files a joint return as a dependent unless that joint return is filed only to claim a refund of withheld income tax or estimated tax paid.
- You can't claim a person as a dependent unless that person is a U.S. citizen, U.S. resident alien, U.S. national, or a resident of Canada or Mexico.
- You can't claim a person as a dependent unless that person is your qualifying child or qualifying relative.

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<tr>
<th>Tests To Be a Qualifying Child</th>
<th>Tests To Be a Qualifying Relative</th>
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<tbody>
<tr>
<td>1. The child must be your son, daughter, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them.</td>
<td>1. The person can't be your qualifying child or the qualifying child of any other taxpayer.</td>
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<tr>
<td>2. The child must be (a) under age 19 at the end of the year and younger than you (or your spouse if filing jointly), (b) under age 24 at the end of the year, a student, and younger than you (or your spouse if filing jointly), or (c) any age if permanently and totally disabled.</td>
<td>2. The person either (a) must be related to you in one of the ways listed under Relatives who don't have to live with you, or (b) must live with you all year as a member of your household (and your relationship must not violate local law).</td>
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<td>3. The child must have lived with you for more than half of the year.</td>
<td>3. The person's gross income for the year must be less than $4,300.</td>
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<td>4. The child must not have provided more than half of his or her own support for the year.</td>
<td>4. You must provide more than half of the person's total support for the year.</td>
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<td>5. The child must not be filing a joint return for the year (unless that joint return is filed only to claim a refund of withheld income tax or estimated tax paid).</td>
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If the child meets the rules to be a qualifying child of more than one person, generally only one person can actually treat the child as a qualifying child. See *Qualifying Child of More Than One Person*, later, to find out which person is the person entitled to claim the child as a qualifying child.

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1 There is an exception for certain adopted children.
2 There are exceptions for temporary absences, children who were born or died during the year, children of divorced or separated parents (or parents who live apart), and kidnapped children.
3 There is an exception if the person is disabled and has income from a sheltered workshop.
4 There are exceptions for multiple support agreements, children of divorced or separated parents (or parents who live apart), and kidnapped children.