

Fact Sheet

Module 8: Child Tax Credit and Additional Child Tax Credit

The child tax credit allows taxpayers to claim a tax credit of up to \$2,000 per qualifying child under the age of 17. This reduces their tax liability, potentially to \$0. In order to claim the credit, the taxpayer and child must meet several requirements.

When a taxpayer's child tax credit is more than their tax liability, they may be eligible to claim an additional child tax credit as well as the child tax credit. The additional child tax credit is also a tax credit of up to \$1,600 per qualifying child. This further reduces their tax liability and can result in a refund. Taxpayers must meet additional requirements to claim this credit.

Tax and Credits	16	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	16
	17	Amount from Schedule 2, line 3	17
	18	Add lines 16 and 17	18
	19	Child tax credit or credit for other dependents from Schedule 8812	19
	20	Amount from Schedule 3, line 8	20
	21	Add lines 19 and 20	21
	22	Subtract line 21 from line 18. If zero or less, enter -0-	22
	23	Other taxes, including self-employment tax, from Schedule 2, line 21	23
24	Add lines 22 and 23. This is your total tax	24	

Payments	25	Federal income tax withheld from:		
	a	Form(s) W-2	25a	
	b	Form(s) 1099	25b	
	c	Other forms (see instructions)	25c	
	d	Add lines 25a through 25c		25d
	26	20xx estimated tax payments and amount applied from 20xx return		26
	27	Earned income credit (EIC)	27	
	28	Additional child tax credit from Schedule 8812	28	
	29	American opportunity credit from Form 8863, line 8	29	
	30	Reserved for future use	30	
	31	Amount from Schedule 3, line 15	31	
32	Add lines 27, 28, 29, and 31. These are your total other payments and refundable credits		32	
33	Add lines 25d, 26, and 32. These are your total payments		33	

Refund	34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34
	35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a
	b	Routing number: _____ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	d	Account number: _____	
36	Amount of line 34 you want applied to your 20XX estimated tax	36	

Amount You Owe	37	Subtract line 33 from line 24. This is the amount you owe . For details on how to pay, go to www.irs.gov/Payments or see instructions.	37
	38	Estimated tax penalty (see instructions)	38

Third Party Designee Do you want to allow another person to discuss this return with the IRS? See instructions **Yes**. Complete below. **No**

Designee's name	Phone no.	Personal identification number (PIN)
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Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
Firm's name	Firm's address			Phone no.
Firm's EIN				

Child Tax Credit Requirements and Limits

Child Requirements

To qualify, the child must:

- be under age 17 at the end of the tax year
- be a citizen, national, or resident of the United States
- not have provided over half of his/her own support for the tax year
- lived with the taxpayer for more than half of the tax year
- be the taxpayer's:
 - child or a descendant of a child (for example, a grandchild)
 - stepchild or adopted child or a descendent of one
 - child, grandchild, or a descendent of one
 - eligible foster child

Taxpayer Requirements

Taxpayers must provide the name and social security number or the Individual Taxpayer Identification Number (ITIN) of each qualifying child on their tax returns.

Credit Limits

The credit depends on the taxpayer's:

- tax liability: the credit cannot be more than the taxpayer's tax liability
- modified adjusted gross income and filing status: the credit may be reduced if the taxpayer's modified adjusted gross income is above a certain amount for their filing status.

Additional Child Tax Credit Requirements and Limits

Child Requirements

To qualify for the additional child tax credit, the child must qualify for the child tax credit.

Taxpayer Requirements

To qualify for the additional child tax credit, taxpayers must:

- meet the requirements previously discussed for the child tax credit
- have a tax liability that is less than their allowable child tax credit
- earn more than \$2,500 during the tax year
- Use Schedule 8812 to determine the Additional Child Tax Credit and attach it to your tax return

Credit Limits

The credit is whichever is lower:

- 15% of the taxpayer's taxable earned income that is over \$2,500, or
- The amount of unused child tax credit (caused when tax liability is less than allowed credit)