



Child Tax Credit and Credit for Other Dependents

SCHEDULE 3
(Form 1040)

Department of the Treasury
Internal Revenue Service

Additional Credits and Payments

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2022
Attachment
Sequence No. **03**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

Your social security number

Part I Nonrefundable Credits

- | | | |
|---|--|---|
| 1 | Foreign tax credit. Attach Form 1116 if required | 1 |
| 2 | Credit for child and dependent care expenses from Form 2441, line 11. Attach Form 2441 | 2 |

3 Edt **SCHEDULE 8812**
4 Ret **(Form 1040)**

Credits for Qualifying Children and Other Dependents

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to www.irs.gov/Schedule8812 for instructions and the latest information.

OMB No. 1545-0074

2022
Attachment
Sequence No. **47**

5 Rec Department of the Treasury
Internal Revenue Service

Name(s) shown on return

Your social security number

Part I Child Tax Credit and Credit for Other Dependents

- | | | |
|----|---|----|
| 1 | Enter the amount from line 11 of your Form 1040, 1040-SR, or 1040-NR | 1 |
| 2a | Enter income from Puerto Rico that you excluded | 2a |
| b | Enter the amounts from lines 45 and 50 of your Form 2555 | 2b |
| c | Enter the amount from line 15 of your Form 4563 | 2c |
| d | Add lines 2a through 2c | 2d |
| 3 | Add lines 1 and 2d | 3 |
| 4 | Number of qualifying children under age 17 with the required social security number | 4 |
| 5 | Multiply line 4 by \$2,000 | 5 |
| 6 | Number of other dependents, including any qualifying children who are not under age 17 or who do not have the required social security number | 6 |

About Child Tax Credit and Credit for Other Dependents

- Additional resources listed in L< “References” tab
- Review all tips and cautions in the lesson
- Read all examples and sample interviews
- We will review answers to each exercise

Objectives – Child Tax Credit and Credit for Other Dependents

- Determine the taxpayer's eligibility for the credit(s)
- Determine which taxpayer can claim the additional credits
- Time Required: 20 minutes

Topics



- Refundable Credit
- Eligibility
- Amount of the Credit
- Calculating the Credit
- Additional Child Tax Credit
- Credit for Other Dependents
- Avoiding Common Errors

Key Terms

Definitions are always available in the L< online Glossary.

- Additional Child Tax Credit
- Adjusted Gross Income (AGI)
- Child Tax Credit
- Form 8332
- Schedule 8812
- Qualifying Child
- Refundable Credit

Refundable Credit

- Child tax credit allows taxpayers to claim a tax credit of up to \$2,000 per child.
- Taxpayers who claim the child tax credit, but do not qualify for the full amount, may be able to also take the refundable additional child tax credit of up to \$1,500 (per eligible child) by completing Schedule 8812, Additional Child Tax Credit
- Review Pub 4012, Tab G, Nonrefundable Credits, [Child Tax Credit](#)

Eligibility

- To be a qualifying child for the child tax credit, the child must be claimed as the taxpayer's dependent
- A child must meet certain criteria to qualify for the credit
- Review Pub 4012, Tab G, Nonrefundable Credits, [Child Tax Credit Table 1](#)
- There are special rules for children of divorced or separated parents, as well as children of parents who live apart

Table 1: Child Tax Credit

Remember to apply the steps for each dependent. To claim the child tax credit and/or the credit for other dependents, you can't be a dependent of another taxpayer.

Probe/Action: Ask the taxpayer:

step 1	Is this person your son, daughter, adopted child, stepchild, foster child, brother, sister, half brother, half sister, stepbrother, stepsister, or a descendant of any of them (for example, your grandchild, niece, or nephew)? A descendant is of any generation.	If YES , go to Step 2. If NO , you can't claim the child tax credit for this person. This person may qualify for the credit for other dependents, go to Table 2.
step 2	Did this person provide over half of his or her own support for the tax year?	If NO , go to Step 3. If YES , you can't claim the child tax credit or the credit for other dependents for this person. STOP if the taxpayer has no other dependents.
step 3	Did this person live with you for more than half of the tax year? If the dependent didn't live with you for the required time, see the following notes below the chart: <ul style="list-style-type: none">• Exception to Time Lived with You• Kidnapped Child• Children of Divorced or Separated Parents or Parents who live apart.	If YES , go to Step 4. If NO , you can't claim the child tax credit for this person. This person may qualify for the credit for other dependents, go to Table 2.

Amount of the Credit

- The amount of the credit may be reduced if the taxpayer's:
 - MAGI is above the limits for the taxpayer's filing status
 - Tax liability less the majority of the nonrefundable credits is less than the maximum child tax credit

Calculating the Credit

- Schedule 8812 is the only document used to calculate the credit, replacing the worksheets in Pub 972
- TaxSlayer will automatically calculate the credit, provided you have correctly completed the:
 - Form 1040 through the retirement savings contribution credit line
 - Part I of Form 5695, and Schedule R

Additional Child Tax Credit

- Taxpayers who do not get the full \$2,000 of the child tax credit may qualify for the refundable additional child tax credit
- For taxpayers with earned income over \$2,500, the credit is based on the lesser of:
 - 15% of the taxpayer's earned income that is more than \$2,500 or
 - The amount of unused child tax credit
- Review Pub 4012, Tab G, Nonrefundable Credits, [Additional Child Tax Credit Tip](#)

Additional Child Tax Credit – General Eligibility

Note: Make sure the taxpayer's credit hasn't been disallowed previously. If previously disallowed, see Form 8862, Information To Claim Certain Credits After Disallowance, in Tab I, Earned Income Credit.

The child tax credit is generally a nonrefundable credit; however, certain taxpayers may be entitled to a refundable additional child tax credit.

- Taxpayers with more than \$2,500 of taxable earned income may be eligible for the additional child tax credit if they have at least one qualifying child.
- Taxpayers with three or more children may also be eligible for additional child tax credit regardless of their income.
- Limited to \$1,400 per qualifying child

Schedule 8812, Additional Child Tax Credit, is used to calculate the allowable additional child tax credit.

See Tab C, Dependents, and the worksheet in the instruction booklet for additional information (including definitions and special rules relating to an adopted child, foster child, or qualifying child of more than one person).

Credit for Other Dependents

- There is a \$500 credit for other dependents who do not qualify for the \$2000 child tax credit
- The dependent must be a U.S citizen, U.S. national, or resident of the U.S. The dependent must have a valid identification number (ATIN, ITIN, or SSN).
- The \$500 non-refundable credit covers dependents who don't qualify for the child tax credit, such as:
 - children who are age 17 and above or dependents with other relationships (such as elderly parents)
 - Taxpayers cannot claim the credit for themselves (or a spouse if Married Filing Jointly).

Avoiding Common Errors

- A thorough interview and accurate entries on the intake and interview sheet are critical to correctly identify all eligible children
- Note any unusual situations on the intake and interview sheet

2. List the names below of:

- **everyone** who lived with you last year (*other than* you)
- **anyone** you supported but did not live with you last year

Name (<i>first, last</i>) Do not enter your name or spouse's name below	Date of Birth (<i>mm/dd/yy</i>)	Relations to you (<i>for example: son, daughter, parent, none, etc</i>)
<i>May be eligible for CTC</i> (a)	(b)	(c)

Volunteers are treated as dependents.
To receive the credit, you must have provided more than half of the support for the dependent.

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Summary

- Child tax credit allows taxpayers to claim a tax credit of up to \$2,000 per child.
- When the dependent is not eligible for the child tax credit they may be eligible for the nonrefundable \$500 credit for other dependents.
- The qualifying child must have a valid SSN by the due date of the return including extensions. To claim the credit for other dependents, the dependent must have a valid identification number (ATIN, ITIN, or SSN) by the due date of the return including extensions.
- If taxpayers claim the child tax credit or additional child tax credit but are not eligible for the credit, they can be banned from claiming the credit for either two or ten years