

Additional Child Tax Credit (ACTC) – 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).

Note: The IRS cannot issue refunds before mid-February for returns that properly claim the earned income credit (EIC) or the ACTC.

Note: Taxpayers may not file an amended return to retroactively claim the additional child tax credit for a qualifying child if a valid SSN for the child is issued after the due date of the tax return.

Note: (International Certification only) If you claim the foreign earned income exclusion, the housing exclusion, or the housing deduction on Form 2555, you can't claim the additional child tax credit.

Note: See Disallowance of Certain Credits in Tab I, Earned Income Credit, if the taxpayer received a letter saying they had to complete Form 8862. If a child was a resident of the U.S., be sure to mark the "substantial presence" box in the Dependents Section or the EXPANDED child tax credit could be denied.

Note: Certain taxpayers affected by a federally declared disaster area may elect to calculate their earned income credit (EIC) and additional child tax credit (ACTC) by substituting their earned income from the preceding taxable year if more than the year of the applicable qualified disaster.