

2018 TAX CREDIT

As tax preparers we are required to provide additional information to the IRS if you are claiming any of the following credits. If you feel you may qualify for any of these, please be ready to answer additional questions and provide documents to prove you qualify.

CTC Child Tax Credit (up to \$2,000)

You can take full advantage of the credit if your modified adjusted gross income is under \$200,000 (Sgl) \$400,000 (MFJ)

Requirement: The child must be under age 17. You must have provided at least half of the child's support during the last year, and the child must have lived with you for at least half the year (there are some exceptions to this rule. I.e; temporary absences)

To prove, please provide:

Document with child's name and your address; such as school records, medical records, court records

ODC Other Dependent Tax Credit (\$500)

You can take full advantage of the credit if your modified adjusted gross income is under \$200,000 (Sgl) \$400,000 (MFJ)

You may be able to claim this credit if you have children age 17 or over, including college students, children with ITINs, or other older relatives in your household. They cannot have gross income of \$4050. (exception for qualifying parents)

To prove, please provide:

Document with dependents name and your address; such as school records, medical records, court records. (exception for qualifying parents)

AOTC American Opportunity Tax Credit (up to \$2500)

Available for qualified education expenses. You cannot claim the credit if your modified adjusted gross income is over \$90,000 (Sgl) \$ 180,000 (MFJ)

To prove, please provide:

Form 1098T from the educational institution.

HOH Head of Household status.

To claim HOH status

- You must be unmarried or considered unmarried
- You must file a separate return from your spouse.
- You must have provided more than half the cost of maintaining your home for the tax year.
- The home must have been the principal place of abode for you and your dependent son, daughter, or eligible foster child (that meets the qualifying child or qualifying relative tests to be claimed as your dependent) for more than half the tax year. But don't worry, this will include a child who would be your dependent except that the exemption was released to the noncustodial parent.
- Your spouse must not have lived in the home at any time during the last six months of the tax year. This does not include those situations in which the spouse is living away from the home temporarily (job assignment, military deployment, temporary incarceration).

To prove, please provide:

Marital Status: Divorce decree, or separation agreement.

Qualifying person: Document with child's name and your address; such as school records, medical records, court records.

Cost of keeping up a home: Rent/mortg receipts, utility bills, property tax bills, upkeep & repair bills or grocery receipts.

EIC Earned Income Tax Credit (up to \$6,431)

You may qualify for the credit if your income is less than \$49,194 (Sgl) \$54,884 (MFJ) and you have a qualifying child.

- i. The child must have lived with you for more than ½ the year,
- ii. Be related to you
- iii. Be under age 19 or 24 if a student, or any age if disabled.

To prove, please provide:

Lived with you - Document with dependents name and your address; such as school records, medical records, court records for current year.

Related to you - Birth certificate, or other legal document providing how you are related.

Age - Birth certificate

There may be additional rules & regulations that may affect your ability to qualify. Your tax preparer can discuss these with you.