



TAXES FOR FAMILIES

Ready to get your family's taxes done for the year?

Step 1: Get everyone's info in one place.

Write down birth dates and tax identification numbers* for you, your spouse (if applicable), and any dependent family members below.

See special instructions for claiming children as dependents on the next page.

NAME

BIRTH DATE

TAX ID NUMBER*

*A tax identification number can be a Social Security number, an Individual Taxpayer Identification Number (ITIN), or Adoption Taxpayer Identification Number (ATIN).

To claim a child as your dependent, the child must:

- ☐ **Have lived with you for at least half of the year.**
- ☐ **Be related to you as a son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or a descendant of any of those.**
- ☐ **Be 18 or younger at the end of the year (can be 24 or younger if a student).**
- ☐ **Be younger than you (or your spouse, if married filing jointly) unless the child is disabled.**

You may qualify for the Child Tax Credit* (CTC) for each qualifying child who was **16 or younger** for the entirety of last year.

For 2021, the CTC is fully refundable, so you won't need to use the Additional Tax Credit (ACTC) to get a refundable portion of the credit.

What about adult dependents?

Many dependents who don't qualify for the primary CTC, such as parents, siblings, or foster children, will now qualify for the Credit for Other Dependents—a temporary \$500 nonrefundable credit.

- ☐ **The person cannot have a gross yearly income over \$4,300.**
- ☐ **The person wasn't a qualifying child of any taxpayer for 2021.**
- ☐ **The person must be either related to you or must have lived with you all year as a member of your household.**

Step 2: Get tax breaks for dependent care and higher education expenses.

Care expenses for children (12 or younger during the tax year) or individuals who are incapable of self-care (whether physically or mentally) may qualify you for the Child and Dependent Care Credit.

Remember: You (and your spouse, if you file jointly) must be employed and have earned income* to claim this credit.

First, it's important to distinguish who the care provider was.

Was your care provider any of the following?

- ☐ **Your spouse**
- ☐ **A parent of the qualifying dependent**
- ☐ **A dependent you claim who is not at least 19 years old**
- ☐ **Your child who is not at least 19 years old**

If you checked any of the boxes above, you **won't** qualify for this credit.

If you didn't check any boxes, fill in the information below:

Number of dependents 12 or younger during the tax year

Amount spent on child care for the child(ren) above:

\$ _____

Amount paid by your employer for any child care:

\$ _____

*One spouse may be considered as having earned income if they were a full-time student or were physically or mentally unable to care for themselves.

What about college students?

If you're putting your child through a four-year college undergraduate program in college, you may qualify for the American Opportunity Credit (AOC).

- ☐ **Does your student qualify as a dependent?**
- ☐ **Did you pay education expenses for items required for enrollment?**
 - ✓ Books, tuition, and uniforms qualify
 - ✗ Room and board, insurance, and transportation do not qualify

The AOC is worth \$2,500 toward qualifying educational expenses, and up to \$1,000 of that is refundable, meaning you could get that back as a refund even if you don't owe any taxes.

The Lifetime Learning Credit is another credit for higher education expenses, although slightly different from the AOC. It is non-refundable and worth up to \$2,000 per tax return to help offset qualified tuition and related expenses.

The Lifetime Learning Credit can help pay for undergraduate, graduate and professional degree courses—including courses to acquire or improve job skills. There is no limit on the number of years you can claim the credit. You cannot claim both the AOC and Lifetime Learning Credit for the same student or same expenses.

Step 3: File with the Feel-Good Tax Company

When you file with 1040.com, you can get your taxes done in one sitting for \$25—and do some good for the world while you're at it.

Want more info on our give back? Check out our relationship with Healing Waters International at www.1040.com/giving-back.

