

## What Kind of Tax Cases Can Legal Aid Handle?



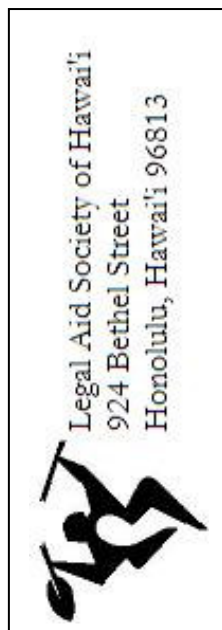
We may be able to assist you with your federal income tax matters, including:

- **Audits and Notices.** If you have been contacted by the IRS about a problem with your taxes, we may be able to assist you
- **Tax Debts.** If you owe money to the IRS and cannot afford to pay, we may be able to assist you in negotiating payment.
- **Non-filers.** If you did not file for a past year, we may be able to assist you in filing your prior year tax return(s).
- **Other tax issues.** We also provide assistance for other federal tax issues.

Contact us for more information.

*This is meant to be an informational brochure, and is not intended to take the place of legal counsel. The distribution of this brochure by the Legal Aid Society of Hawai'i does not imply that an attorney-client relationship has been formed. This brochure is not intended to be a complete statement of law nor intended to fully describe or evaluate your options.*

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F://Justice/Brochure/Consumer/Tax/C27.Federal Tax-  
Child Tax Credit and Dependent Care Credit



## Legal Aid Society of Hawai'i

Child Tax Credit and  
Dependant Care Credit:  
Children are a Blessing—  
Especially at Tax Time!

FOR FREE TAX ASSISTANCE, CALL:

OAHU: 536-4302

MAUI: 242-0724

HILO: 934-0678

KONA: 329-8331

KAUAI: 245-7580

MOLOKAI: 553-3251

LANAI: 565-6089

<http://www.legalaidhawaii.org/>

## **Who is the Legal Aid Society of Hawai`i?**

The Legal Aid Society of Hawai`i (Legal Aid) is Hawaii's largest non-profit law firm. Legal Aid is a statewide organization with 9 offices on 6 of the Hawaiian Islands. We concentrate our efforts on assisting low-income individuals with their non-criminal legal matters.

Legal Aid can provide assistance with many types of legal problems.

This brochure provides information about the Child Tax Credit and the Dependant Care Credit.

## **What is the Child Tax Credit?**

The Child Tax Credit is a partially refundable credit available for certain low-income individuals and families. The Child Tax Credit may be able to reduce the federal income tax you owe by up to \$1,000 for each qualifying child.

## **Who is a Qualifying Child?**

To qualify, your child must meet the following requirements:

- (1) Is a U.S. citizen or resident alien;
- (2) Is under the age of 17 at the end of the year;
- (3) Is claimed as your dependent; and
- (4) Is your son, daughter, adopted child, grandchild, stepchild or eligible foster child, your sibling, stepsibling or their descendant

## **What if Two Taxpayers Claim a Child?**

Tie-breaking rules are used if more than one taxpayer claims the same qualifying child:

If one of the taxpayers is the parent, then the child is the qualifying child of the parent.

If the parents don't file jointly and both claim the child, then the parent with whom the child lived the longest during the year has the first right to claim the child.

If neither parent claims the child, then the taxpayer with the highest adjusted gross income has the right to claim the child.

## **What is the Dependent Care Credit?**

The Dependent Care Credit is a credit available for expenses used for the care of a dependent so that you may go to work.

This credit is non-refundable which means that it can only be used to reduce your tax and cannot be refunded to you if the credit exceeds your tax.

## **What are the Dependent Care Credit Requirements?**

To claim the credit, you must meet the following conditions:

- (1) Your filing status must be single, head of household, qualifying widow, or married filing jointly;
- (2) Your payments cannot be made to a dependent or to your child who is under age 19;

- (3) Care must be provided to one or more qualifying persons;
- (4) The qualifying person(s) must have lived with you for over half the year;
- (5) You must have paid for care expenses in order to earn taxable income.

## **Who is a Qualifying Person?**

A qualifying person is:

- (1) A qualifying child who is your dependent and who was under age 13 when the care was provided;
- (2) Your spouse who was physically or mentally unable to care for himself or herself and lived with you more than half the year; or
- (3) A person who was not physically or mentally able to care for himself or herself, lived with you for more than half the year, and was your dependent.

## **How Do I Claim the Child Tax Credit and/or the Dependent Care Credit?**

To claim these credits, you must file a tax return using either Form 1040 or 1040A.

## **What if I Don't Know How to File a Tax Return?**

Get FREE help! Volunteer Income Tax Assistance (VITA) Programs were established to help people fill out their tax forms for free. Many VITA sites have electronic filing for faster refunds. To find the nearest VITA site, call 1-800-829-1040.

