

## Tax Credits Can Help

When filing your federal taxes remember to check carefully for any credits that may apply. A tax credit reduces your tax, which usually means more money in your pocket. If you qualify why not claim it?

Some important tax credits that can help reduce federal income taxes for working and or low income individuals are the Child Tax Credit, Earned Income Tax Credit, Advance Earned Income Credit, Additional Child Tax Credit, Child and Dependent Care Credit, Education Credits and Retirement Savings Contribution Credit.

**The Child Tax Credit** is a credit that can reduce your tax. You may be able to take a credit on your return for each of your children under age 17. The maximum amount of the credit is \$1,000 for each qualifying child. **See IRS Publication 972** for more details.

**Earned Income Tax Credit** is a benefit for certain people who work and have earned income or are self-employed. This credit reduces the amount of tax you owe and may also give you a refund even if you do not owe any tax. The amount of the credit is determined by earned income, filing status, and the number of qualifying children, if any. **See IRS Publication 596 and Form EIC** for more details.

**Advance Earned Income Tax Credit** is an advance tax break for working people. If you expect to qualify for the earned income tax credit, you can choose to get part of the credit in advance. Give your employer a Form W-5, and your employer will include part of the credit regularly in your pay. The advance payment is available only if you have at least one qualifying child. **See IRS Publication 596 & W-5** for more details.

**Additional Child Tax Credit** is for individuals who do not benefit from the full amount of the Child Tax Credit. This credit may give you a refund even if you do not owe any tax. **See IRS Publication 972 and Form 8812** for more details.

**Child and Dependent Care Credit** is a credit you may be able to claim if you pay someone to care for your child under age 13 so that you can work or look for work. **See IRS Publication 503 & Form 2441 or Schedule 1** for more details.

**Education Credits** are credits you may be eligible for if you paid qualified education expenses for yourself, your spouse or your dependent to enroll in or attend an eligible educational institution. You maybe to claim the HOPE or Lifetime Learning Credit, **See IRS Publication 970 and Form 8863** for more details.

**Retirement Savings Contribution Credit** is a credit you maybe eligible to take if you made eligible contributions to an employer-sponsored retirement plan or to an Individual Retirement Arrangement (IRA). The credit is a percentage of the qualifying contributions, with the highest rate for taxpayers with the least income. **See IRS Publication 17 for more details and Form 8880.**

For more information on these credits you can visit the IRS website at [www.irs.gov](http://www.irs.gov) or call the IRS toll-free customer assistance number 1-800-829-1040 or call 1-800-829-3676 to order publications. If you would like to hear recorded information regarding these credits you can call 1-800-829-4477 and request topic 601 for Earned Income Tax Credit, topic 602 for Child and Dependent Care Credit, topic 604 for Advance Earned Income Credit, topic 606 for Child Tax Credit, topic 605 for Education Credit, and topic 610 for Retirement Savings Contributions Credit.,