

## Will the Child Tax Credit Affect My Public Benefits?

The child tax credit will not affect your eligibility for certain public benefits, such as food stamps, public housing, welfare or SSI; even if you receive a cash refund from the child tax credit

If you already receive public assistance, the child tax credit should not affect the amount of your benefits.

If you are denied public benefits or your benefit amount decreases because of the child tax credit, you should call:

**Rhode Island Legal Services at  
(401)274-2652**

## Do I Qualify for Additional Child Tax Credit?

You might get an additional child tax credit (Form 8812), resulting in a refund, if:

- You did not use all of the allowed child tax credit listed on your tax return.
- You did not use all of your allowed child tax credit in Form 1040, line 50; or Form 1040(A), line 33;

### AND

- Your earned income was greater than \$10,350. Earned income includes income from wages, tips and self-employment.

## Additional Child Tax Credit

- You may qualify to claim a cash refund of your unused child tax credit or up to 10% of earned income above \$10,350.

### OR

- You did not use all of your allowed child tax credit AND you have three or more children.
- You may be able to claim a cash refund of up to the amount of Social Security and Medicare taxes you paid, less any EITC listed on your return.

You must file Form 8812 to claim an additional cash refund of the Child Tax Credit.

For more information, see IRS Publication 17.



**NOTE: This information cannot take the place of advice from a lawyer. Each case is different and needs individual legal advice. You should contact a lawyer if you need representation on a tax matter or if you have questions.**

# CHILD TAX CREDIT



*English*

“A Way to Reduce Your Taxes or Get Extra Cash”

**Rhode Island Legal Services  
Low Income Taxpayer Clinic  
56 Pine Street, Suite 400  
Providence, RI 02903  
(401) 274-2652  
or toll free  
1-800-662-5034**

*The Rhode Island Legal Services  
Low Income Taxpayer Clinic  
is funded by a grant from the IRS.*

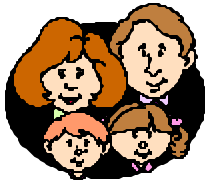
## What Is The Child Tax Credit?

The child tax credit is a tax benefit for people with low or moderate incomes.

When you file a tax return, the child tax credit could reduce your tax. You might also receive a refund!

Some of the child tax credit laws are new. Before 2001, the child tax credit could reduce your tax but you had to have more than two children to get a cash refund.

The new child tax credit allows *some* people to get a cash refund with only one child.



### Is the Child Tax Credit Like the Earned Income Tax Credit (EITC)?

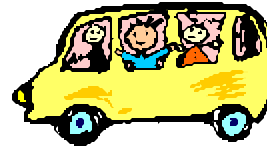
The child tax credit is not the same as the EITC. The child tax credit and EITC have different rules.

Many people, who do not qualify for the EITC, qualify for the child tax credit. Some people will qualify for both the child tax credit and the EITC.

A married couple with two children will qualify for the EITC if their combined incomes are below \$34,178. A married couple with two children will qualify for the child tax credit if their combined incomes are less than \$110,000!

With the Child Tax Credit, you can:

1. Get more child tax credit if you have more than two children;
2. File a separate return;
3. Claim the child tax credit with an Individual Taxpayer Identification Number (ITIN).



### Who Can Get the Child Tax Credit?

To receive the Child Tax Credit, the child must be:

- Your son, daughter, step-child, adopted child, grandchild, niece, nephew, sister, brother or eligible foster child.
- Under age 17 at the end of 2002 - 16 years of age or younger on December 31, 2002.
- Your dependent. Your child *must* qualify as a dependent and be listed on your tax return as a dependent.
- A citizen or resident of the United States (U.S.).

Your income must be less than:

FILING STATUS	AMOUNT
MARRIED FILING JOINTLY	\$110,000
MARRIED FILING SEPARATELY	\$55,000
HEAD OF HOUSEHOLD AND QUALIFYING WIDOW	\$75,000
SINGLE	\$75,000

### How Much Child Tax Credit Am I Entitled to Receive?

The amount of your child tax credit depends on the number of children that you have.

Number of Children	Maximum Child Tax Credit
1	\$600
2	\$1,200
3	\$1,800
4	\$2,400

You may not qualify for the maximum child tax credit.

