

**Under 17 Child Tax CR is Linked to Dep Exemp & Is Partially Refundable**

**VALUE OF UNDER AGE 17 CHILD TAX CREDIT**

Last Name: Jones	2008	
	<u>John</u>	<u>Mary</u>
Number of Children Under Age 17	1	1
<b>Actual Under Age 17 Child Tax Credit Allowed</b>	<b>\$350</b>	<b>\$1,000</b>
Federal + State Tax Savings from all Child Dependency Exemptions	\$875	\$525
<b>Total Tax Savings from Both</b>	<b>\$1,225</b>	<b>\$1,525</b>
<b>CALCULATION OF ALLOWED CHILD TAX CREDIT</b>		
1 Credit for Each Child	\$1,000	\$1,000
2 Maximum Potential Credit	1,000	1,000
3 Filing Status	Single	Hd Hsld
4 Threshold Amount for Phaseout	75,000	75,000
5 Federal Adjusted Gross Income	87,646	44,000
6 Excess Over Threshold	12,646	0
7 Reduction in Maximum Potential Credit (Maximum Credit-line 2-is reduced by \$50 for each \$1,000 of line 6)	(650)	0
8 Maximum Allowed Credit After Phaseout (line 2 less Line 7)	\$350	\$1,000
9 Credit Allowed Regular Tax Formula	\$350	\$1,000
10 Refundable Child Tax Credit	0	0
<b>11 Actual Child Tax Credit Allowed Including Refundable Portion</b>	<b>\$350</b>	<b>\$1,000</b>

## VALUE OF UNDER AGE 17 CHILD TAX CREDIT

### CALCULATION OF REFUNDABLE UNDER AGE 17 CHILD TAX CREDIT

Last Name: Jones	2008	
	<u>John</u>	<u>Mary</u>
1 Max Possible Child Credit (After Phaseout)	\$350	\$1,000
2 Actual Child Tax Credit Finally Allowed Including Refundable Portion	350	1,000
<b>CHILD TAX CREDIT ALLOWED</b>		
3 Tax Before Child Credit & Earned Inc Credit (EIC)	\$15,143	\$3,246
4 Child Credit Allowed - Regular Tax Formula	350	1,000
5 Child Credit Disallowed - Regular Tax Formula	0	0
<b>Refundable Child Tax Credit-% Over \$12,050 Method</b>		
6 Earned Income	\$99,646	\$30,000
7 Income over \$12,050	87,596	17,950
8 Allowable % of 15% of this income which is maximum refundable child credit	13,139	2,693
9 Maximum Possible Child Credit (After Phaseout)	350	1,000
10 Child Credit Allowed - Regular Tax Formula	350	1,000
11 Refundable Child Tax Credit	0	0
12 Child Tax Credit Allowed	\$350	\$1,000
<b>REFUNDABLE CREDIT FOR FAMILIES WITH 3 OR MORE CHILDREN UNDER AGE 17</b>		
13 Number of Children Under Age 17	1	1
<b>ADDITIONAL CREDIT IF 3 OR MORE CHILDREN</b>		
14 Social Security Tax + 1/2 Self-Employment Tax	\$7,621	\$2,295
15 Earned Income Credit (EIC)	0	0
16 Max Increase in Child Tax Credit is excess of Social Security Taxes over EIC	7,621	2,295
17 Maximum Possible Child Credit (After Phaseout)	350	1,000
18 Child Credit Allowed - Regular Tax Formula	350	1,000
19 Refundable Child Tax Credit	0	0
20 Total Credit for Families with 3 or More Children Which is Allowed	\$0	\$0
21 Final Child Tax Credit is Greater of Line 12 or Line 20	\$350	\$1,000
<b>PORTION OF ALLOWED CHILD CREDIT TO BE REFUNDABLE</b>		
22 Amount Included in Line 2 at Top of Page Which is Refundable (excess of allowed child credit over regular tax liability)	\$0	\$0

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