

Child Tax Cr is Linked to Dependency Exemption & is Partially Refundable

VALUE OF UNDER AGE 17 CHILD TAX CREDIT

Last Name: Jones	2008	
	<u>James</u>	<u>Mary</u>
Number of Children Under Age 17	2	2
Actual Under Age 17 Child Tax Credit Allowed	\$1,250	\$2,000
Federal + State Tax Savings from all Child Dependency Exemptions	\$1,886	\$1,141
Total Tax Savings from Both	\$3,136	\$3,141
CALCULATION OF ALLOWED CHILD TAX CREDIT		
1 Credit for Each Child	\$1,000	\$1,000
2 Maximum Potential Credit	2,000	2,000
3 Filing Status	Single	Hd Hsld
4 Threshold Amount for Phaseout	75,000	75,000
5 Federal Adjusted Gross Income	89,768	42,525
6 Excess Over Threshold	14,768	0
7 Reduction in Maximum Potential Credit (Maximum Credit-line 2-is reduced by \$50 for each \$1,000 of line 6)	(750)	0
8 Maximum Allowed Credit After Phaseout (line 2 less Line 7)	\$1,250	\$2,000
9 Credit Allowed Regular Tax Formula	\$1,250	\$1,468
10 Refundable Child Tax Credit	0	532
11 Actual Child Tax Credit Allowed Including Refundable Portion	\$1,250	\$2,000

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VALUE OF UNDER AGE 17 CHILD TAX CREDIT

CALCULATION OF REFUNDABLE UNDER AGE 17 CHILD TAX CREDIT

Last Name: Jones	2008	
	James	Mary
1 Max Possible Child Credit (After Phaseout)	\$1,250	\$2,000
2 Actual Child Tax Credit Finally Allowed Including Refundable Portion	1,250	2,000
CHILD TAX CREDIT ALLOWED		
3 Tax Before Child Credit & Earned Inc Credit (EIC)	\$14,698	\$1,468
4 Child Credit Allowed - Regular Tax Formula	1,250	1,468
5 Child Credit Disallowed - Regular Tax Formula	0	532
Refundable Child Tax Credit-% Over \$12,050 Method		
6 Earned Income	\$99,293	\$30,000
7 Income over \$12,050	87,243	17,950
8 Allowable % of 15% of this income which is maximum refundable child credit	13,086	2,693
9 Maximum Possible Child Credit (After Phaseout)	1,250	2,000
10 Child Credit Allowed - Regular Tax Formula	1,250	1,468
11 Refundable Child Tax Credit	0	532
12 Child Tax Credit Allowed	\$1,250	\$2,000
REFUNDABLE CREDIT FOR FAMILIES WITH 3 OR MORE CHILDREN UNDER AGE 17		
13 Number of Children Under Age 17	2	2
ADDITIONAL CREDIT IF 3 OR MORE CHILDREN		
14 Social Security Tax + 1/2 Self-Employment Tax	\$7,591	\$2,295
15 Earned Income Credit (EIC)	0	0
16 Max Increase in Child Tax Credit is excess of Social Security Taxes over EIC	7,591	2,295
17 Maximum Possible Child Credit (After Phaseout)	1,250	2,000
18 Child Credit Allowed - Regular Tax Formula	1,250	1,468
19 Refundable Child Tax Credit	0	532
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	\$1,250	\$2,000
PORTION OF ALLOWED CHILD CREDIT TO BE REFUNDABLE		
22 Amount Included in Line 2 at Top of Page Which is Refundable (excess of allowed child credit over regular tax liability)	\$0	\$532

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