

Child and Dependent Care Credit

What is the Child and Dependent Care Credit?

The Child and Dependent Care Credit allows one to deduct a percentage of their child or dependent care costs from the federal income taxes they would otherwise have to pay. The credit can equal as much as 35% of your expenses, depending on household income.

How does it work?

To receive the Child and Dependent Care Credit, taxpayers must have earned income and must file a federal tax return. The Child and Dependent Care Credit are generally available to those who are working and who pay (a non-family member) for the care of:

- A dependent child who is under age 13
- A spouse or other dependent (including the disabled or elderly) who is unable to care for him or herself

Unlike the Earned Income Tax Credit (EIC), the Child and Dependent Care Credit is not refundable – a taxpayer cannot receive the credit unless he/she owes taxes for the year, and will not receive a refund if the amount of the credit is larger than the amount of taxes owed.

How does one apply?

- File a federal income tax return.

Additional information on the credit can be found on the IRS's [Claiming the Child and Dependent Care Credit](#) page (IRS Tax Tip 2010-46).

Contact Information

Internal Revenue Service

IRS Taxpayer Assistance Center (TAC)

500 N. Capitol Street, NW

Washington, DC 20221

Phone: (202) 874-6748