

Child Tax Credit (CTC)

What is the Child Tax Credit?

The Child Tax Credit allows a federal tax reduction to those with dependent children. The credit can equal \$1,000 per child, depending on household income; the tax reduction decreases as a family's income increase.

How does it work?

To receive the Child Tax Credit, taxpayers must have a child under 17 years of age and must file a federal income tax return. In addition, with some exception, the child/children:

- Must be your son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, or one of their descendants (grandchild, niece, nephew, etc.)
- Must not have provided over half of his or her own support
- Must have lived with you for more than half of the year

The Child Tax 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.

However, if the amount of your Child Tax Credit is greater than the amount of income tax you owe, you may be able to claim the *Additional Child Tax Credit*. The Additional Child Tax Credit is refundable, so you may receive a refund even if you don't owe taxes.

How does one apply?

- File a federal income tax return. You must claim the child as a dependent.

Additional information on the credit can be found on the IRS's [Child Tax Credit](#) page.

Contact Information

Internal Revenue Service

IRS Taxpayer Assistance Center (TAC)

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