

Tax Credit Fast Facts 2019



Please contact the [Internal Revenue Service \(IRS\)](#) or [New York State Department of Taxation and Finance](#) for more detailed information based on your specific situation or call 311 and ask for tax preparation assistance.

Overview of Tax Credits

What are tax credits?

Tax credits can help reduce the amount of income tax you owe. Some tax credits are refundable tax credits, which can increase your tax refund amount if you owe less than the credit amount. Examples of refundable tax credits include the Earned Income Tax Credit (EITC), New York City Child Care Tax Credit (NYC CCTC), Child Tax Credit, Additional Child Tax Credit (ACTC), and the American Opportunity Tax Credit.

How will these tax credits affect my other public benefits?

In most cases, claiming tax credits does not affect eligibility for benefits like the Food Stamp Program, Supplemental Security Income (SSI), Medicaid, Temporary Assistance for Needy Families (TANF), or public or subsidized housing. These credits are not considered income when determining eligibility for these programs, but they may be counted as a resource for some programs if the money is not spent within a certain time frame.

How can I claim tax credits?

You must file your federal and New York State tax returns. If you earned \$66,000 or less in 2018, you may qualify for NYC Free Tax Prep to file for free and keep your whole refund. For more information, go to nyc.gov/taxprep or call 311 and ask for tax preparation assistance.

! IRS Refund Delay and Alert about "Early Refund" Products. The IRS must hold refunds for filers who claim the EITC or ACTC until at least February 15, 2019. Beware of paid preparers that advertise "express refund advances" or "refund anticipation checks," which cost a lot and lower your refund amount. Visit nyc.gov/taxprep for more information.

Overview of EITC

What is the Earned Income Tax Credit (EITC)?

The EITC is a federal, state, and New York City tax credit for qualifying families, noncustodial parents, and singles who work full time or part time or are self-employed. For working families the credit could be worth up to \$8,682.

Who can claim the EITC?

Basic requirements to qualify for EITC:

- Your income and marital and parental status fall within the criteria below.

Status	Income
Married with qualifying children	Earning up to \$54,884
Married with no qualifying children	Earning up to \$20,950
Single with qualifying children	Earning up to \$49,194
Single with no qualifying children	Earning up to \$15,270
Noncustodial Parents (Married or Single) who are up to date on their child support payments	Earning up to \$40,320

- You must be between the ages of 25 and 64 as of December 31, 2018 if you do not have qualifying children. Qualifying children must be under 19 years of age or under 24 years of age if a full-time student; younger than you; and living with you for more than six months in 2018. Qualifying children include biological children, stepchildren, foster children, and grandchildren.
- You have a valid Social Security number (SSN).
- You file a tax return.
- You have investment income less than \$3,500.

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Overview of Child and Dependent Care Tax Credits

What is the New York City Child Care Tax Credit (NYC CCTC)?

The NYC CCTC is a local tax benefit to help families who earn less than \$30,000 pay for child care for children younger than age 4. If the credit is more than the amount of New York City tax that is owed, the filer can claim a refund. This credit can be worth up to \$1,733.

What if I have older children or qualified dependents who are not children?

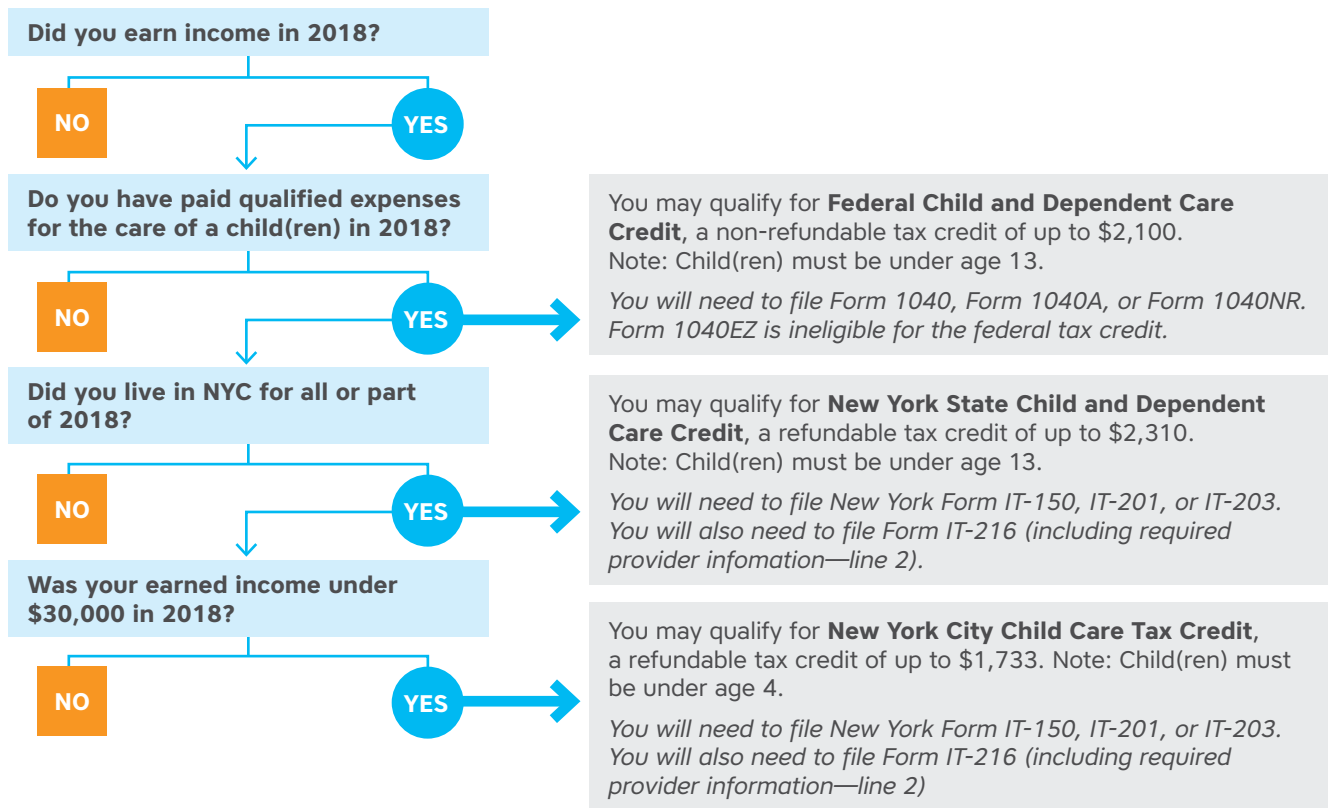
The federal and New York State Child and Dependent Care Credits include expenses for qualifying children up to the age of 13 and certain dependents other than children.

The federal **Child and Dependent Care Credit** is worth up to \$2,100. It can only reduce the amount of tax you owe and cannot be claimed as a refund. Visit [irs.gov](https://www.irs.gov) for more information.

The **New York State Child and Dependent Care Credit** is worth up to \$2,310. If the credit is more than the amount of New York State tax that is owed, the filer can claim a refund. Visit tax.ny.gov for more information.

Do I qualify?

In general, you *may* qualify for the NYC CCTC, the federal Child and Dependent Care Credit, or the New York State Child and Dependent Care Credit if you answer Yes to the questions below:



What are qualified child care expenses to claim the credits?

Qualified expenses include money paid out of pocket for the care of a qualifying child or children while you work or look for work. This includes the cost of care outside the home, such as at a day care center, or inside your home, such as a babysitter. Review [IRS Publication 503](#) or ask your tax preparer for more information. Child support payments, expenses reimbursed by a state social service agency, and aid subsidies are **not** qualified expenses.

How do I get the NYC CCTC?

You must file your federal and New York State tax returns and provide required information for all qualified expenses. Filers must identify all persons or organizations that provide care for a qualifying child or children, including the provider's name, address, and Taxpayer Identification Number or Social Security number. Filers should use [IRS Form W-10](#) to request this required information.



If you earned \$66,000 or less in 2018, use NYC Free Tax Prep to file for free and keep your whole refund.



Online at nyc.gov/taxprep

OR



In person at your local NYC Free Tax Prep site



Bill de Blasio
Mayor

**Consumer
Affairs**

Lorelei Salas
Commissioner