



## Refundable Tax Credits

Refundable tax credits put money back in the pockets of hardworking taxpayers. The IRS offers various resources to explain these tax credits.

Visit [eitc.irs.gov](https://www.irs.gov/eitc) to learn about Earned Income Tax Credit and Other Refundable Credits.

**Earned Income Tax Credit (EITC)** helps low-to moderate-income workers.



See if you qualify  
for EITC



### Do you qualify for the Earned Income Tax Credit?

The Earned Income Tax Credit (EITC) is for people who work for someone else, are self-employed or receive certain disability payments.



**To qualify, you must have low to moderate-income and meet the following rules.**

You (and your spouse, if filing a joint return)
<b>Must</b>
<ul style="list-style-type: none"><li>Have earned income under a certain amount</li><li>Have a Social Security number that is valid for employment issued on or before the due date of the return (including extensions)</li><li>Be a U.S. citizen or resident alien all year</li><li>Have a qualifying child or, if you do not have a qualifying child, you must:<ul style="list-style-type: none"><li>Be at least age 25 but under age 65 at the end of the year.</li><li>Live in the United States for more than half the year and</li><li>Not qualify as a dependent of another person</li></ul></li></ul>
<b>May not</b>
<ul style="list-style-type: none"><li>Have investment income, such as interest income, over a certain amount</li><li>File as married filing separately</li><li>Be a qualifying child of another person</li><li>File Form 2555 or 2555-EZ (related to foreign earned income)</li></ul>

There are special rules for qualifying children, military, clergy members and taxpayers and their relatives with disabilities.

**To claim the EITC, you must file a federal tax return even if you owe no tax and are not required to file.**

Go to [www.irs.gov/eitc](https://www.irs.gov/eitc) for more information and to use the interactive EITC Assistant to see if you qualify for the credit and estimate the amount of your EITC.

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## Child Tax Credit (CTC) helps families with children.



See if you qualify  
for CTC

## American Opportunity Tax Credit (AOTC) helps taxpayers who pay higher education expenses.





See if you qualify  
for AOTC

## Premium Tax Credit (PTC) helps taxpayers cover the premiums for health insurance purchased through the Health Insurance Marketplace.



See if you qualify  
for PTC




### Child Tax Credit (CTC)

File a tax return to claim the child tax credit for each qualifying child who has a valid social security number issued before the due date of the return. Generally, the qualifying child must be:



- Your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, your grandchild, niece, or nephew) who can be claimed as a dependent on your return. For more information, see Publication 501, Dependents, Standard Deduction, and Filing Information.
- Under age 17 at the end of the year.
- A U.S. citizen, U.S. national, or U.S. resident alien. For more information, see Publication 519, U.S. Tax Guide for Aliens.

Use the IRS Interactive Tax Assistant tool "Does My Child/Dependent Qualify for the Child Tax Credit or the Credit for Other Dependents?" to determine if a person qualifies you for the Child Tax Credit or the Credit for Other Dependents (ODC).

Visit "What You Need to Know about CTC, AOTC, and ODC" for more information or scan the QR Code:



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### American Opportunity Tax Credit (AOTC)

Generally, to be eligible for the American Opportunity Tax Credit, the student must:

- Be pursuing a degree or other recognized education credential.
- Be enrolled at least half time for at least one academic period beginning in the tax year.
- Not have finished the first four years of higher education at the beginning of the tax year.
- Not have claimed the AOTC or the former Hope credit for more than four tax years.
- Not have a felony drug conviction at the end of the tax year.

**Maximum Amount**— You can receive up to a \$2,500 credit per eligible student, which phases out if your modified adjusted gross income is over \$80,000 (\$160,000 for joint filers). For most individuals, the modified adjusted gross income is the adjusted gross income reported on line 11 of their tax return.

**Qualified Paid Expenses**— Claim the credit for tuition, required enrollment fees, and books, supplies, and equipment needed for the course of study, whether or not the materials are purchased from the educational institution.

**Taxpayer Identification Number (TIN)**— The taxpayer and student, if different, must have a social security number (SSN) or other TIN that was issued by the due date of their tax return (including extensions). If the SSN is issued after the due date or the taxpayer or student applied for a different TIN from the IRS after the due date, the taxpayer cannot amend their return and claim the credit.


**Eligible Educational Institution**— Any accredited college, university, trade school, or other postsecondary educational institution eligible to participate in a student aid program administered by the U.S. Department of Education is included.

**Form 1098T**— Eligible educational institutions are required to send Form 1098-T, Tuition Statement, to students who paid qualifying expenses.

**Eligibility**— You can claim the AOTC for yourself, your spouse, or a dependent claimed on your return.

Claim the AOTC on Form 8863, Education Credits. See Publication 970, Tax Benefits for Education, or use the IRS Interactive Tax Assistant tool "Am I Eligible to Claim an Education Credit?" to help you determine if your education expenses qualify for a tax benefit.

For more information, visit [www.irs.gov/AOTC](http://www.irs.gov/AOTC) or scan the QR Code:



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### Premium Tax Credit

If you or a member of your family enrolls in health insurance through the Marketplace, you may be eligible for the premium tax credit, a refundable credit that helps eligible individuals and families pay for health insurance.

**Advance Payments**  
During enrollment, the Marketplace determines if you're eligible for advance payments of the premium tax credit. If you're eligible, you can choose to have ALL, SOME or NONE of the advance payments for which you are eligible sent to your insurance company:

- ▶ **ALL:** the entire amount of your payments will be sent monthly to your insurance company.
- ▶ **SOME:** a portion of your payments are sent in advance to your insurance company, and then you wait to receive the rest of the benefit of the premium tax credit for which you are eligible when you file your tax return.
- ▶ **NONE:** you have nothing sent to your insurance company during the year, and wait to get all the benefit of the credit when you file your tax return.

**Eligibility**  
If you or a family member enrolls in health coverage through the Marketplace for a month, paid in advance to your insurance company, that you or the family member was not eligible for non-Marketplace health coverage, you may be allowed the credit if you:

- Paid your share of Marketplace insurance premiums.
- Have household income within certain limits.
- Do not file a married filing separately return. There are exceptions to this rule for domestic abuse and spousal abandonment victims.
- Cannot be claimed as a dependent by another person.

**Did You Know...**  
If you choose not to have advance credit payments made on your behalf, you will get the credit when you file your tax return. This will lower your tax balance due and could increase your refund.

**You must file a federal tax return if either of these apply to you:**

- Advance credit payments were made on your behalf to your insurance company.
- You are claiming the premium tax credit.

Failing to file your tax return will prevent you from getting the benefit of advance credit payments in future years.

**Claiming and Reconciling the Credit**  
When you file your tax return, you will use Form 8962, Premium Tax Credit, to claim the credit and to reconcile the credit with the advance credit payments made for you and your family. To reconcile the credit, subtract the total of your advance credit payments from the amount of the premium tax credit computed on your tax return. The difference will change the amount of tax you owe or the amount of your federal refund.

**To access the Marketplace, visit Healthcare.gov**

**Report life changes to the Marketplace**  
Reporting life changes such as changes to income or family size — will help you avoid large differences between the advance credit payments made on your behalf and the amount of the premium tax credit you are allowed when you file your tax return.

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Taxpayers can find many filing options on IRS.gov, including free options for qualifying taxpayers.



Options for filing a  
tax return

Let's get the valuable Earned Income Tax Credit to all American families that qualify – including those who don't normally file tax returns. Help #IRS spread the word about #EITC: [www.irs.gov/eitc](https://www.irs.gov/eitc)

**Growing strong**

The Earned Income Tax Credit can help working families grow financially stronger. Help spread the word.

[irs.gov/eitc](https://irs.gov/eitc)

Raising kids can be expensive. But refundable credits like the #IRS Child Tax Credit can help. A refundable tax credit is a credit you can get as a refund, even if you don't owe any tax. For more info, see: [www.irs.gov/childtaxcredit](https://www.irs.gov/childtaxcredit)

The IRS Child Tax Credit can help offset the costs of raising a child.

[irs.gov/childtaxcredit](https://irs.gov/childtaxcredit)

Check out tax benefits available for college students or their parents. Learn more at [www.irs.gov/education](https://www.irs.gov/education)

**Entering your academic era?**

Learn about education credits and how they can help with the cost of higher education.

[irs.gov/education](https://irs.gov/education)

Do you know if you qualify for a tax credit that can make purchasing health insurance coverage more affordable? See how the refundable Premium Tax Credit can help: [irs.gov/ptc](https://irs.gov/ptc)

The **Premium Tax Credit** helps make health insurance coverage more affordable.

[irs.gov/credits](https://irs.gov/credits)