

## Keep the Child Care Credit in Mind for Summer

As a working parent or looking for work during the summer, care for your children will cost you money. These expenses can qualify you for The Child and Dependent Care Tax Credit. Obviously, this credit is not only available during the summer time, but also throughout the year. Here are eight key points you should know about this credit.

1. You must pay for care so you and your spouse, if filing jointly, can work or actively look for work. Your spouse meets this test during any month they are full-time student, or physically or mentally incapable of self-care.
2. You must have earned income. Earned income includes earnings such as wages and self-employment. If you are married filing jointly, your spouse must also have earned income. There is an exception to this rule for a spouse who is full-time student or who is physically or mentally incapable of self-care.
3. You must pay for the care of one or more qualifying persons. Qualifying children under age 13 who you claim as a dependent meet this test. Your spouse or dependent who lived with you for more than half the year may meet this test if they are physically or mentally incapable of self-care.
4. You may qualify for the credit whether you pay for care at home, at a daycare facility outside the home or at a day camp. If you pay for care in your home, you may be a household employer.
5. The credit is a percentage of the qualified expenses you pay for the care of a qualifying person. It can be up to 35 percent of your expenses, depending on your income.
6. You may use up to \$3,000 of the unreimbursed expenses you pay in a year for one qualifying person or \$6,000 for two or more qualifying persons.
7. Expenses for overnight camps or summer school tutoring do not qualify. You cannot include the cost of care provided by your spouse or a person you can claim as your dependent. If you get dependent care benefits from your employer, special rules apply.
8. Keep your receipts and records to use when you file your 2013 tax return next year. Make sure to note the name, address and Social Security number or employer identification number of the care provider. You must report this information when you claim the credit on your return.

***Please contact our office for further information on this credit and other available credits.***