

# FAMILY TAX CREDITS



## How Tax Credits Can Put Money Back in Families' Pockets

**Families may be eligible for thousands of dollars in federal and state tax credits.** These credits can lower the income taxes that families must pay and, in some cases, give cash refunds to families whose incomes are too low to owe taxes. **And for tax year 2014, state and federal tax credits more valuable than ever.** But families have to know about these credits in order to claim them on their tax returns.

### Federal Tax Credits

- The **Child and Dependent Care Tax Credit** can offset some of the child and dependent care costs that families pay in order to work. It is worth up to **\$2,100**.
- The **Child Tax Credit** helps families meet some of the costs of raising children. It is worth up to **\$1,000** per child. Even families who owe little or no income tax can receive at least some of this credit as a refund if they have at least \$3,000 in earnings in 2014.
- The **Earned Income Tax Credit** is designed to boost the wages of eligible families (earning less than \$46,997 if single or less than \$52,427 if married filing jointly, in 2014). It is worth up to **\$6,143** and is refundable.

### State Tax Credits

- **State child and dependent care tax provisions:**\* **Arkansas**, California, **Colorado**, Delaware, the District of Columbia, Georgia, **Hawaii**, Idaho, **Iowa**, Kentucky, **Louisiana**, **Maine**, Maryland, Massachusetts,

**Minnesota**, Montana, **Nebraska**, **New Mexico**, **New York**, Ohio, Oklahoma, **Oregon**, Rhode Island, South Carolina, **Vermont**, and Virginia.

- **State earned income tax credits:**\* **Connecticut**, Delaware, **the District of Columbia**, **Illinois**, **Indiana**, **Iowa**, **Kansas**, **Louisiana**, Maine, **Maryland**, **Massachusetts**, **Michigan**, **Minnesota**, **Nebraska**, **New Jersey**, **New Mexico**, **New York**, **Ohio**, **Oklahoma**, **Oregon**, **Rhode Island**, **Vermont**, Virginia and **Wisconsin**. Some states have other tax provisions especially for low-income families. For example, **New Mexico** has a low-income comprehensive tax rebate – a refundable credit.
- **State child tax credits:**\* **New York**, North Carolina, and Oklahoma.

**You can help families claim these tax credits.** Visit [www.nwlc.org/loweryourtaxes](http://www.nwlc.org/loweryourtaxes) for more information.

*\*States listed in bold have at least one fully or partially refundable tax credit in this category.*