



TAX CREDITS CAN PUT MONEY BACK IN FAMILIES' POCKETS, FOR TAX YEAR 2010

Working families need all the help they can get to make ends meet. These 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 this year, changes to federal tax laws make 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** is designed to offset some of the child and dependent care costs that families pay in order to work. This credit is worth up to **\$2,100**.
- The **Child Tax Credit** is designed to help families offset some of the costs of raising children. This credit 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 2010.
- The **Earned Income Tax Credit** is designed to boost the wages of eligible families (married couples earning less than \$48,362 or singles earning less than \$43,352 in 2010). It is worth up to **\$5,666** and is available as a refund for families that owe little or no income tax.
- The new, refundable **Making Work Pay Credit** is designed to increase workers' take-home pay and is worth up to **\$800**.

State Tax Credits

- **28 states (including the District of Columbia) have child and dependent care tax provisions.*** These states are: **Arkansas, California, Colorado,** Delaware, the District of Columbia, Georgia, **Hawaii,** Idaho, **Iowa,** Kansas, Kentucky, **Louisiana, Maine,** Maryland, Massachusetts, **Minnesota,** Montana, **Nebraska, New Mexico, New York,** North Carolina, Ohio, Oklahoma, **Oregon,** Rhode Island, South Carolina, **Vermont,** and Virginia.
- **23 states (including the District of Columbia) have state Earned Income Tax Credits.*** These states are: Delaware, **the District of Columbia, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, New Mexico, New York, North Carolina, 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.
- **Three states have state child tax credits.*** These states are: **New York,** North Carolina, and Oklahoma.

You can help families claim these tax credits. Visit the National Women's Law Center's website, www.nwlc.org/loweryourtaxes, for more information.

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