

2025 Tax Year Credit Information for Families

(for taxes due April 2026)



These charts provide information about tax credits that you may be eligible for as you file your 2025 taxes. While care has been taken to provide you with accurate information, please note that Early Years staff are not tax experts. We hope you find this information helpful. Enclosed you will also find a list of VITA tax filing sites, which may be able to provide you with free tax filing services. Please feel free to contact our office if we can be of further assistance with any of your childcare needs.



Type of Credit	Description	Requirements for Child(ren) being Claimed	Amount of Credit or Refund	Income Eligibility Limits	Forms and Documents to Refer to
Federal Credits (1-800-829-1040) or http://www.irs.gov/individuals					
Child Tax Credit (CTC)	The child tax credit is a tax benefit for people with dependent children under 17. For 2025, the child tax credit is worth up to \$2,200 per qualifying dependent child.	<ul style="list-style-type: none"> Under age 17 Be a U.S. citizen, U.S. National or a U.S. resident alien. Not provide more than half of his or her own support for the tax year. Lived with you more than half the tax year Be claimed as a dependent on your return Not file a joint return for the year (or filed the joint return only to claim a refund of taxes withheld or estimated taxes). 	\$2,200 per qualifying child and \$500 for each non-child dependent	\$200,000 (filing single) \$400,000 (married filing jointly). Partial credit for income over thresholds.	IRS Form 1040 and Schedule 8812
Credit for Other Dependents (ODC)	If you do not meet the criteria to claim the Child Tax Credit or Additional Child Tax Credit, you may qualify for the Credit for Other Dependents (ODC) for your child or dependent. Non-refundable U.S. federal tax credit available to tax payers for each qualifying dependent.	<ul style="list-style-type: none"> Be claimed as a dependent on your tax return. Be a U.S. citizen, U.S. national, or U.S. resident alien. Have a Social Security number or Individual Taxpayer Identification number 	Maximum \$500 for each dependent who meets criteria	\$200,000 (filing single) \$400,000 (married filing jointly).	IRS Form 1040 and Schedule 8812
Child & Dependent Care Tax Credit (CDCTC)	Non-refundable credit for work-related child care expenses. Expenses cannot exceed \$3,000 for 1 child or \$6,000 for 2+ children. <u>(will need care provider's SS# or T#).</u>	<ul style="list-style-type: none"> Under age 13 	1 Child: 20-35% of expenses, up to \$3,000 2+ Children: 20-35% of expenses, up to \$6,000.	No eligibility limits, but amount of credit will depend on income level.	IRS Form 2441 and Publication 503
Additional Child Tax Credit	The refundable portion of the child Tax Credit. If your Child Tax Credit is greater than your tax, you may be eligible for up to \$1,700 in a refund.	<ul style="list-style-type: none"> You must have an earned income of at least \$2,500 	\$1,700 per qualifying child	\$200,000 (filing single) \$400,000 (married filing jointly).	IRS Form 1040 and Schedule 8812
Earned Income Tax Credit (EITC)	Refundable tax credit available to low- to moderate-income, working individuals and families.	Under age 19, or under age 24 & a full-time student, or have permanent and total disability, Valid SSN	1 Child: up to \$4,328 2 Children: up to \$7,152 3+ Children: up to \$8,046	<u>Single</u> w/1 Child: \$50,434 w/2 Children: \$57,310 w/3+ Children: \$61,555 <u>Married Filing Jointly</u> w/1 Child: \$57,554 w/2 Children: \$64,430 w/3+ Children: \$68,675 *Investment income of more than \$11,950 = ineligible	IRS Form 1040 or 1040-SR and Schedule EIC (form 1040 or 1040-SR)

Adoption Credit	A federal tax credit that helps families with the costs of qualified adoption-related expenses.	Under age 18	Up to \$17,280 per eligible child Refundable amount is up to \$5,000 per qualifying child	Your modified adjusted gross income (MAGI) was \$259,190 or less in 2025. The credit is available but reduced if your MAGI was between \$259,191 and \$299,189. The credit is unavailable if your MAGI was \$299,190 or more.	Form 8839
North Carolina Credits (1-877-252-3052) www.dornc.com					
Child Tax Credit	Non-refundable state credit for each child claimed as a dependent on your federal tax return.	Any child for whom a federal child tax credit was allowed.	\$3,000 \$2,500 \$2,000 \$1,500-\$0 \$3,000 \$2,500 \$2,000 \$1,500-\$0	Married filing jointly: Up to \$40,000 Over \$40,000-up to \$60,000 Over \$60,000-up to \$80,000 Over \$80,000-up to over \$140,000 Filing Single: Up to \$20,000 Over \$20,000- up to \$30,000 Over \$30,000- up to \$40,000 Over \$40,000- over \$70,000	Form D-400TC, Line 14a & 14b
Affordable Care Act: www.healthcare.gov					
Premium Tax Credit (PTC)	A refundable credit that helps eligible individuals and families cover the premiums for their health insurance purchased through the Health Insurance Marketplace. Financial Assistance to help people buy health insurance www.healthcare.gov enroll between 11/1/26-12/15/26 for 2027 health plan.	No Age Limit	Income up to 150% of poverty = 0% 150% to 200% = 0% to 2% 200% to 250% = 2% to 4% 250% to 300% = 4% to 6% 300% to 400% = 6% to 8.5% 400% of poverty or higher = 8.5%	Family of four - household incomes between \$31,200 - \$128,600. <i>(Lawfully present immigrants whose household income is below 100% FPL and are not otherwise eligible for Medicaid are eligible for tax subsidies through the Marketplace if they meet all other eligibility requirements can qualify for Premium Tax Credits.)</i>	Form-8962 (you will receive 1095-A statement in the mail, which is required to file Federal Income Taxes)

Notes: *IRS-sponsored Volunteer Income Tax Assistance (VITA) Sites provide free tax help to people with low-to-moderate- income (generally, \$67,000 and below). Call the IRS' free hotline at 1 -800-906-9887 to locate a VITA site near you. You can also visit <http://irs.treasury.gov/freetaxprep/>.

**Individuals with income below \$89,000 can use the Free File Program with free tax prep software. Visit <http://freefilealliance.org/> to learn more.

***Adjusted percentage by income after the subsidy is applied <https://www.healthinsurance.org/>