



FEDERATION OF AMERICAN CONSUMERS AND TRAVELERS - NEWS RELEASE -

FOR IMMEDIATE RELEASE

5 Things the IRS Says You Need to Know About Childcare Expenses

EDWARDSVILLE, IL, August 14, 2009 -Many parents who work, or are looking for work, must arrange for care of their children under 13-years of age during the school vacation.

Here are five facts the IRS says that parents and guardians need to know about the tax credit available for child care expenses:

- 1) The cost of day camp can count as an expense towards the child and dependent care credit.
- 2) Expenses for overnight camps do not qualify.
- 3) If your childcare provider is a sitter at your home or a daycare facility outside the home, you'll get some tax benefit if you qualify for the credit.
- 4) The actual credit can be up to 35 percent of your qualifying expenses, depending upon your income.
- 5) You may use up to \$3,000 of the non-reimbursed expenses paid in a year for one qualifying individual or \$6,000 for two or more qualifying individuals to figure the credit.

The Child and Dependent Care Credit is, of course, available for expenses incurred not just during school vacation months, but throughout the year.

For more information, including rules for claiming this credit for your spouse or a dependent age 13 or over who is not able to care for himself or herself, check out IRS Publication 503, Child and Dependent Care Expenses. This publication is available on the IRS Web site (IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

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