

Tax Provision	<i>New Law</i>	<i>Prior Law</i>
Child Tax Credit and New Family Credit	<p>Effective 2018. The Child Tax Credit is increased to \$2,000 per qualifying child under the age of 17. The credit is phased out when modified AGI exceeds \$400,000 for MFJ and \$200,000 for all other taxpayers. The portion of the credit that exceeds regular tax liability may be refundable (calculated the same as under prior law), except that the refundable portion cannot exceed \$1,400 per qualifying child.</p> <p>A new non-refundable Family Credit of \$500 is allowed for each person that is not a qualifying child, but is a qualifying dependent under the old dependency rules (with the exception of residents of Canada and Mexico). Thus, a child over age 16 that no longer qualifies for the \$2,000 credit may be allowed a \$500 credit, assuming the old dependency rules are met.</p> <p>The increased Child Tax Credit and new Family Credit expire after 2025.</p>	<p>The Child Tax Credit is \$1,000 per qualifying child under the age of 17. The credit is phased out when modified AGI exceeds \$75,000 for single, HOH, and QW, \$110,000 for MFJ, and \$55,000 for MFS. The portion of the credit that exceeds regular tax liability is allowed as a refundable credit, up to 15% of earned income in excess of \$3,000. If the family has three or more children, the refundable portion is equal to the taxpayer's Social Security tax paid that exceeds the taxpayer's Earned Income Credit, if this calculation results in a higher amount.</p>