

Important

- The 2025 Child Tax Credit is NOT refundable.
- The qualifying dependent must be 16 or younger at the end of 2025.
- The 2025 CTC maximum is \$2,200 of which \$1,700 may become refundable as the Additional Child Tax Credit.
- The IRS did not make any advanced payment of the Child Tax Credit in 2025.

The Additional Child Tax Credit has an earned income component in its calculation. Taxpayers with no earned income will not qualify for the 2025 ACTC.



LITC

Alaska Business Development Center's Low Income Taxpayer Clinic provides assistance year round to low income and English-as-a-Second Language taxpayers. Assistance includes education on taxpayer rights and responsibilities, consultation on IRS issues and representation on IRS disputes. Tax preparation is not conducted under the Low Income Taxpayer Clinic.



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Understanding...

2025 CHILD TAX CREDIT

Claiming the Child Tax Credit on your 2025 tax return.

Generally the IRS has reverted to pre 2021 rules for determining eligibility and qualifications for the Child Tax Credit and Credit for Other Dependents.

The non-refundable portion cannot be greater than Form 1040 Line 18.

There are special rules for determining the refundable portion; Additional Child Tax Credit. There is an earned income requirement.



Brought to you by:
Alaska Business Development Center
Low Income Taxpayer Clinic

Who Qualifies for the Child Tax Credit on their 2025 Return

- Claimant cannot be a dependent on another return.
- Claimant must have a valid SSN issued prior to the due date of the return.
- Claimant must claim a Qualifying Child on 2025 return.
- To avoid a reduction in the Child Tax Credit the modified adjusted gross income of the claimant cannot exceed:
 - \$400,000 if Married Filing Joint
 - \$200,000 all other filing statuses

Contact the IRS...

1 (800) 829-1040
www.irs.gov



2025 Child Tax Credit and Additional Child Tax Credit

- The 2025 Child Tax Credit is NOT refundable.
- CTC maximum is \$2,200 per qualifying child.
- Credit for Other Dependents.
 - \$500 non-refundable credit for qualifying dependents that do not qualify for the Child Tax Credit.
 - Must have an identification number (ATIN, ITIN or SSN) issued before the due date of the return.
- The Child Tax Credit and Other Dependent Credit combined with any other non-refundable credits cannot be greater than Form 1040 Line 18.
- The Additional Child Tax Credit May be Refundable.
 - Based on children that were used to claim the Child Tax Credit and not all the credit was used.
 - Reduced by amounts taken as CTC.
 - Limited to \$1,700 per qualifying child.
 - Claimant with more than \$2,500 in earned income may be eligible for some portion of the credit if they have at least one qualifying child.
- Refunds that contain the Additional Child Tax Credit or Earned Income Credit will not be released by the IRS until the first week of March.

Who is a Qualifying Child for the Child Tax Credit in 2025

- Must not turn 17 before January 1, 2026
- Must have a qualifying SSN issued prior to the due date of the 2025 return.
- Must be the claimant's child, stepchild, foster child, sibling, half sibling, stepsibling, or a descendant of any of them.
- Child must not provide more than one-half of his or her own support during 2025.
- Must live with the claimant for more than one-half of tax year 2025. For exceptions to this requirement, see [Form 1040 Instructions, Exception to time lived with you.](#)
- The child must be properly claimed as the claimant's dependent.
- The child must be a U.S. citizen, U.S. national or U.S. resident alien.
- The child cannot file a joint return.
- A child can only be claimed on one 2025 tax return.

2025 Child Tax Credit Maximum Amounts

Children under age 17 at the end of the tax year	\$2,200
Credit for Other Dependents	\$500
Additional Child Tax Credit	\$1,700