



Adoptions From The Heart®

Adoption Benefits FAQs

Q.1 What is the adoption tax credit?

The adoption tax credit, which can be claimed for eligible adoption-related expenses, has helped thousands of American families offset the high cost of adoption since the credit was established in 1997. The credit applies to all types of adoption (except stepparent adoption), including international, domestic private, and public foster care. Since 2003, families who adopted children with special needs could claim the maximum credit regardless of their qualified adoption expenses. The credit has made adoption a more viable option for many parents who might not otherwise have been able to afford adoption, allowing them to provide children with loving, permanent families.

Q.2 What should I know about claiming the Adoption Credit for tax year 2015?

1. The maximum amount of the credit for each eligible child is \$13,400. Therefore, you may be able to reduce your federal tax liability for tax year 2015 by up to \$13,400.
2. You can carry any unused credit forward up to five tax years.
3. For tax year 2015 returns, the credit begins to phase out if your modified adjusted gross income (MAGI) is more \$201,010. The credit is completely eliminated if your MAGI for tax year 2015 equals or exceeds \$241,010.

Q.3 How do I file my 2015 tax return to claim the Adoption Credit?

The Adoption Credit is claimed on Form 8839, Qualified Adoption Expenses. Beginning with the 2013 tax year, you can e-file [Form 8839](#). You must use Form 1040, rather than Form 1040A or 1040EZ, when claiming the Adoption Credit. Refer to [Instructions for Form 8839 Qualified Adoption Expenses](#) and chart for additional information. Note: Form 8830 could not be e-Filed for tax years 2010, 2011, 2012. You do not need to send in copies of receipts, cancelled checks, bank statements, adoption decrees or other documents when you e-File or mail your return and your Form 8839. However, you should keep all documents you used when claiming an Adoption Credit for your records.

Q.4 How do I qualify to claim the Adoption Credit?

Generally, you may qualify for the Adoption Credit if you adopted an eligible child and paid qualified adoption expenses in connection with the adoption. The amount of the tax credit is as much as \$13,400 for tax year 2015. If you adopt a U.S. child with special needs, you may qualify for the full amount of the Adoption Credit even if you paid little or no adoption-related expenses, if the adoption is final. A child is a U.S. child if he or she was a citizen or resident of the United States (including U.S. possessions) at the time the adoption attempt began.

Q.5 What documents should I keep for my records?

You should keep the following documents: receipts for qualified adoption expenses, cancelled checks, bank statements, entry visas for foreign adoptions, final decree, certificate or order of adoption, home study by an authorized placement agency, child placement agreements or court orders, and determination of special needs status by a State, the District of Columbia, or U.S. possession.

Q.6 Where can I find more information about the Adoption Credit?

Go to <http://www.irs.gov/Individuals/Adoption-Benefits-FAQs>