

## How do I claim the Oregon working family child care credit?

File Schedule WFC with your Oregon tax return. The schedule and instructions are in the Oregon income tax booklet. You can also download the schedule from our website at [www.oregon.gov/DOR](http://www.oregon.gov/DOR). You must file this schedule to claim this credit. If you do not file this schedule, the working family child care credit may be denied.

**Note:** Claiming this credit may delay the processing of your refund.

### Child care expenses that do not qualify

Qualifying child care expenses do **not** include amounts paid for your qualifying child to attend school or for activities. Examples of expenses that do not qualify:

- Public or private school tuition for kindergarten through twelfth grade;
- Swimming, dance, or gymnastics classes;
- Overnight camp;
- Language lessons;
- Child care paid by federal or state assistance;
- Child care paid by someone else; or
- Child care paid when you (or your spouse if filing jointly) are not working or attending school.

### Checklist

You will need the following information to claim the working family child care credit:

- Child's full name;
- Child's date of birth;
- Child's Social Security number (SSN);
- Child care provider's full name, address, and daytime phone number, and age;
- Child care provider's tax identification number (SSN, FEIN, or ITIN);
- Proof of your payment of child care expenses (such as canceled checks or money orders);
- Verification of your household size; and
- Year-end statement from child care provider.

## For more information Website: [www.oregon.gov/DOR](http://www.oregon.gov/DOR)



Visit our website to download Oregon tax forms and Schedule WFC, and to find out more about the working family child care credit.

### Telephone

Salem..... 503-378-4988  
Toll-free from an Oregon prefix ..... 1-800-356-4222

If you have a touch-tone telephone, call our 24-hour voice response system at one of the numbers above to:

- Hear recorded tax information.
- Order tax forms.
- Check on the status of your 2006 personal income tax refund (beginning February 1).



For help from Tax Services, call one of the numbers above:

Monday through Friday..... 7:30 a.m.–5:00 p.m.  
*Closed Thursdays from 9:00 a.m.–11:00 a.m. Closed on holidays.*

Extended hours during tax season:

April 1–April 15,  
Monday–Friday ..... 7:00 a.m.–7:00 p.m.  
Saturday, April 12 ..... 9 a.m.–3 p.m.  
*Wait times may vary.*

### Asistencia en español:

Salem..... 503-378-4988  
Gratis de prefijo de Oregon..... 1-800-356-4222

### TTY (hearing or speech impaired; machine only):

Salem..... 503-945-8617  
Toll-free from an Oregon prefix.. 1-800-886-7204

**Americans with Disabilities Act (ADA):** Call one of the help numbers for information in alternative formats.



Visit us on the web at [www.oregon.gov/DOR](http://www.oregon.gov/DOR)

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# Oregon Oregon Working Family Child Care Credit



**For Parents  
and Guardians**

## What is the Oregon working family child care credit?

The Oregon working family child care credit is a refundable tax credit for low-income working families. The credit is based on:

- Your qualifying child care expenses;
- The number of people in your family (household size); and
- Your federal adjusted gross income.

## How do I qualify to claim this credit?

First, you must meet the income tests:

1. You must have a minimum amount of earned income.\*
2. You also must have less than the maximum amount of investment income.\*
3. You also must have adjusted gross income that is less than the limits based on your household size.

Next, you must have qualifying child care expenses. Qualifying expenses are:

- Paid for the care of your qualifying child; and
- Paid to someone who is not the child's parent or guardian, or your relative or step-relative under age 19; and
- Paid to allow you (and your spouse if married) to work or attend school at least part time or your (or your spouse) are exempt from this requirement due to a qualifying disability and file Form WFC-DP.

## What is a "qualifying child"?

A qualifying child under the Oregon working family child care credit is your child, stepchild, grandchild, step-grandchild, brother, sister, stepbrother, stepsister, nephew, niece, step-nephew, step-niece, or eligible foster child who:

- Was under age 13 as of December 31, 2006; **OR**

*\* "Earned income" and "investment income" have the same meaning for this credit as for the federal earned income credit. The amounts change each year and can be found in the Oregon income tax instruction booklet.*

- Qualified for Oregon's additional exemption credit for a child with a disability.

## AND

- Is a dependent on your federal return; or
- Could have been claimed as a dependent on your federal return except you (the custodial parent) released the exemption to the child's other parent under a decree of divorce or separate maintenance or a written declaration such as federal Form 8332; and
- Provided less than one-half of their own support for the tax year. If the child paid for more than half of their own (the child's) support, the child is not a "qualifying child."

These requirements are explained in more detail on the Oregon Department of Revenue's website and in the Oregon income tax booklet.

## What is household size?

Household size is the number of people you can claim as exemptions on your federal tax return who are:

- Living in your house; and
- Related to you by birth, marriage, or adoption.

Your household size can include children whose exemption(s) you released to the child's other parent. You may not include people who do not live with you, even if you are eligible to claim them as exemptions on your federal tax return.

## How is this credit different from the federal child and dependent care credit?

The Oregon working family child care credit (WFC) is available only on the Oregon tax return. While this credit is similar to the federal child and dependent care credit, WFC stands alone under Oregon law. The working family child care credit is refundable: if the credit is more than your tax, you will receive the difference. Also, you do not have to reduce the credit by the amount of expenses paid with pre-tax dollars.

## Can I claim both the Oregon child and dependent care credit and the Oregon working family child care credit?

Yes. You must follow federal rules to qualify for the Oregon child and dependent care credit. However, you are not required to claim the federal or Oregon child and dependent care credit in order to claim Oregon's working family child care credit.

## How do I prove my expenses?

If you claim this credit, keep proof of payment in your records for at least three years from the date you file your return. The department can ask for proof at any time. If you do not have proof of your expenses, the credit may be denied. Proof includes:

- Canceled checks; or
- Duplicate checks along with bank statements; or
- Money order stubs;
- Detailed receipts signed by the child care provider at the time of payment that show:
  - Child's full name;
  - Date(s) that child care was provided;
  - Amount of child care paid;
  - Name of person and/or government agency making the payment;
  - Child care provider's full name, address, and daytime phone number;
  - Child care provider's tax identification number [Social Security number (SSN) or federal employer identification number (FEIN)];
  - Method of payment (cash, check, etc.); and
  - Date of payment.

## If the state helps me pay for child care, how much can I claim?

If you pay part of the expenses (co-pay) and the state pays the rest, you may claim the part you actually paid. Keep the monthly statement you receive from the state showing your co-pay amount and the amount paid directly to your child care provider.