



DO NOT SEND

DR 0347 (7/26/17)
COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-0005
Colorado.gov/Tax

Child Care Expenses Tax Credit Instructions

Use this form to determine if you can claim the Colorado Child Care Expenses tax credit. You may be able to claim the credit if you pay someone to care for your dependent who is under age 13. For information about any federal form or publication listed below, please visit *IRS.gov*

Eligibility

To be able to claim the Colorado credit for child care expenses, you must file federal form 1040 or 1040A. You cannot claim this credit if you filed federal form 1040EZ, 1040NR or 1040NR-EZ. If you did not file a federal income tax return, you may still be eligible for the Low Income Child Care Expenses credit. To claim the low income credit, you must complete and submit with your Colorado return, federal form 1040 and 2441. You must also meet all of the following tests:

1. The care must be for one or more qualifying persons who are identified on federal form 2441.
2. You (and your spouse if filing jointly) must have earned income during the year.
3. You must pay child care expenses so you (and your spouse if filing jointly) can work or look for work. Qualifying expenses are defined under Section 21 of the Internal Revenue Code.
4. You must make payments for child care expenses to someone you (and your spouse) cannot claim as a dependent. If you make payments to your child, he or she cannot be your dependent and must be age 19 or older by the end of the year. You cannot make payments to:
 - a. Your spouse, or
 - b. The parent of your qualifying person if your qualifying person is your child and under the age of 13.
5. You cannot claim this credit if your federal filing status is Married Filing Separate.
6. You must identify the care provider on this form.

It is recommended that you fully review IRS Publication 503 for eligibility tests and the definition of qualifying income and children. All of the information in this form is required and your credit may be denied if it is incomplete.

Part I - Person or Organization Who Provided the Care

Use this section to list the name, address and Social Security or Federal Employer ID number of the child care provider(s) you used. If you are unable to provide the Social Security or Federal Employer ID number of the child care provider, you must show that you attempted to obtain the required information by attaching such proof to this form.

List the total amount paid for the full year of child care, paid to each provider. If you have more than two care providers or if the provider is non-profit, we strongly suggest you file your return electronically.

Part II- Qualifying Child Information

For lines 2a – 2d, list each qualifying child, their year of birth and their Social Security number. You must also list the amount of child care expenses for each specific child.

Complete lines 2e through 4 as instructed on the form. If the amount on line 4 is greater than \$60,000 do not continue because you do not qualify for this credit.

If line 4 is \$60,000 or less, enter the amount from line 9 of the IRS form 2441, Child and Dependent Care Expenses, on line 5 of this form DR 0347.

For line 6 enter your tax from your federal income tax return. See IRS form 1040 line 47 or 1040A line 28. If the amount of line 6 is greater than \$0, continue to Part III. Otherwise, if line 6 is \$0 or if you did not file a federal income tax return and your adjusted gross income is \$25,000 or less, skip to Part IV. If you have more than four qualifying children, we strongly suggest you file your return electronically.

Part III- Child Care Expenses Credit

If you had federal tax on line 6 above, use line 4 to determine the decimal amount from Table A. Enter the appropriate amount on line 7.

For line 8 enter the amount from line 11 of IRS form 2441, Child and Dependent Care Expenses.

For line 9 multiply line 8 by the decimal on line 7.

Full-year residents should enter amount from this form on line 9 to form DR 0104CR line 1. If you completed Part III and you were a part-year resident, continue to Part IV.

Part IV- Part Year Resident Limitation

Complete this part only if you were a part-year resident of Colorado in 2017. Enter the percentage from form DR 0104PN line 34 on line 10 of this DR 0347.

For line 11 multiple the amount from line 9 by the percentage from line 10. Enter this amount on line 1 of form DR 0104CR.

Low-Income Child Care Expenses

Due to the passage of House Bill 17-1002 and based on the revenue estimate prepared by Legislative Council Staff in June 2017, the low-income child care expenses credit is not available for income tax year 2017. The credit is available for income tax years 2018 through 2020.



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Child Care Expenses Tax Credit

• For Tax Year

You MUST submit this form with your complete Colorado Individual Income Tax Return, including forms DR 0104 and DR 0104CR.

You must also submit a copy of IRS form 2441 with your Colorado return.

Thoroughly read the instructions to be certain you are eligible for this credit.

Be sure to complete all required information. Failure to do so may result in a denied credit or delayed refund.

Taxpayer Name

SSN

Part I – Persons or Organizations Who Provided the Care - You must complete this part

If you have more than two care providers or if the provider is non-profit, see the instructions.

• 1(a). Care Provider's First Name	• Last Name	• Middle Initial	• (b) SSN or FEIN
• (c) Address	• City	• State	• Zip
			• (d) Amount Paid
			\$
• (e) Care Provider's First Name	• Last Name	• Middle Initial	• (f) SSN or FEIN
• (g) Address	• City	• State	• Zip
			• (h) Amount Paid
			\$

Part II – Qualifying Child Information - You must complete this part

If you have more than four qualifying children, see the instructions.

• 2(a). Child's First Name	• Last Name	• Middle Initial	• Year of Birth
• SSN			
Qualified expenses you incurred and paid in 2017 for the person listed in 2(a)			• \$
• 2(b). Child's First Name	• Last Name	• Middle Initial	• Year of Birth
• SSN			
Qualified expenses you incurred and paid in 2017 for the person listed in 2(b)			• \$



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Taxpayer Name		Account Number													
2(c). Child's First Name	Last Name	Middle Initial	Year of Birth												
SSN															
	Qualified expenses you incurred and paid in 2017 for the person listed in 2(c)		\$												
2(d). Child's First Name	Last Name	Middle Initial	Year of Birth												
SSN															
	Qualified expenses you incurred and paid in 2017 for the person listed in 2(d)		\$												
2(e). Enter the sum of all qualified child care expenses			\$												
2(f). Enter your earned income			\$												
2(g). If filing a joint return, enter the earned income of the other person			\$												
3. Enter the smallest of line 2(e), 2(f) [or 2(g) only if filing a joint return]			\$												
4. Enter your adjusted gross income from your federal income tax return. See IRS form 1040 line 37 or 1040A line 21			\$												
If the amount of line 4 is greater than \$60,000 STOP - you do not qualify for this credit.															
5. Enter the amount from line 9 of IRS form 2441, child and dependent care expenses			\$												
6. Enter your tax from your federal income tax return. See IRS form 1040 line 47 or 1040A line 30			\$												
Complete Part III if line 6 is greater than \$0.															
Part III – Child Care Expenses Credit															
Determine your Colorado decimal amount from the amount on line 4 above: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">More than:</th> <th style="text-align: left;">But not more than:</th> <th style="text-align: left;">Enter this on line 7 below:</th> </tr> <tr> <td>\$0</td> <td>\$25,000</td> <td>.50</td> </tr> <tr> <td>\$25,000</td> <td>\$35,000</td> <td>.30</td> </tr> <tr> <td>\$35,000</td> <td>\$60,000</td> <td>.10</td> </tr> </table>				More than:	But not more than:	Enter this on line 7 below:	\$0	\$25,000	.50	\$25,000	\$35,000	.30	\$35,000	\$60,000	.10
More than:	But not more than:	Enter this on line 7 below:													
\$0	\$25,000	.50													
\$25,000	\$35,000	.30													
\$35,000	\$60,000	.10													
7. Enter the decimal amount from Table A above			X.												
8. Enter the amount from line 11 of IRS form 2441, child and dependent care expenses			\$												
9. Multiply line 8 by the decimal on line 7			\$												
Full-year residents should enter the amount from line 9 on the DR 0104CR line 1. If you completed Part III and you were a part-year resident, proceed to Part IV below.															
Part IV – Part-Year Resident Limitation															
10. Part-year residents ONLY - enter the percentage from the DR 0104PN line 34. If percentage exceeds 100% from the DR 0104PN, line 34, enter 100%			%												
11. Multiply the amount from line 9 by the percentage from line 10. Enter the result on line 1 of the DR 0104CR			\$												