

The CHILD TAX CREDIT is helpful to taxpayers with children.

In the CNMI, we see a lot of misunderstanding about this benefit.

- We see people taking actions intended to help claim the benefits, but that may be illegal.

- We see separated and divorced parents fighting over the credit.

- We see unreasonable demands to share the tax credit.

Below is information to help you understand what the CHILD TAX CREDIT is, and how it works.

DO Understand that the Child Tax Credit belongs to the taxpayer.

It is not property of the child. The child does not have any right to any portion of the Child Tax Credit.

DON'T Claim a child for whom you do not have a right to claim.

The child must be eligible to be your tax “dependent.” One requirement is that you provided 50% or more of the child’s support. There is a handy tool online to walk you through the questions to help figure “dependent” out. USE IT.

If you don’t have a computer or internet service, you can get free access at

the Joeten-Kiyu Public Library (or the public libraries in Tinian or Rota).

You can find the tool at <https://www.irs.gov/help/ita/whom-may-i-claim-as-a-dependent>

DO Realize only one taxpayer may claim a child for the Child Tax Credit.

You may only claim a child or children IF you are related or the child is in your custody by court order, AND the child has lived with you at your residence for more than six months of the taxable year.

There is a long list of who qualifies as related: son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of one of these (for example, a grandchild, niece or nephew).

DON'T Claim a child who has NOT lived with you for more than half of the taxable year.

You may not claim a child who has not lived with you unless the custodial parent has released their right to the claim.

DO Realize that the Child Tax Credit for 2024 benefits you as a taxpayer only if you had earned income.

If you did not have earned income, but you are the person with the right to

claim the Child Tax Credit, you may release the right to claim the Child Tax Credit to a non-custodial parent of the child.

If you want to release the claim for the Child Tax Credit to a non-custodial parent, use IRS Form 8332.

<https://www.irs.gov/pub/irs-pdf/f8332.pdf>

DON'T Release the right to claim a Child Tax Credit to a non-custodial relative or friend, other than the parent of the child.

Generally, you may not transfer your rights to claim your child who has lived with you more than half of the year to someone else (besides the non-custodial parent).

DO Seek legal or accounting help if you aren't sure about claiming the Child Tax Credit.

DON'T Forget that violating tax rules and regulations may have penalties and be considered a crime.

If you claim a child for whom you do not have a right to claim, you may face criminal sanction. If you help someone else claim a child unlawfully, you may face criminal sanction.

DO Complain if someone else claims your dependent child for whom you have the right to claim the Child Tax Credit.

If your ex-spouse or ex-partner (parent of the child) claims the child and files before you do, go ahead and file your taxes with the claim for your child. And notify the Department of Revenue and Taxation and the Office of the Attorney General about the wrongful claim by the other parent.

If you are the proper person to claim the Child Tax Credit, and the CNMI Revenue & Taxation office refuses to accept your tax form because someone else has claimed the child, you can complain to the Department of Revenue and Taxation and the Office of the Attorney General.

If the CNMI Revenue & Taxation office has paid out to a wrongful claimant, you can complain to the Department of Revenue and Taxation and the Office of the Attorney General.

You have rights. Give notice to the authorities and seek legal assistance from an attorney if the problem isn't resolved.

Know the requirements. Follow the law. Use your rights.

Child Tax Credit

Some Do's and Don'ts



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