

Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Child and Dependent Care Expenses

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040.

▶ See separate instructions.

Name(s) shown on Form 1040

Your social security number

Before you begin: You need to understand the following terms. See **Definitions** on page 1 of the instructions.

- **Dependent Care Benefits**
- **Qualifying Person(s)**
- **Qualified Expenses**
- **Earned Income**

Part I **Persons or Organizations Who Provided the Care**—You must complete this part.
(If you need more space, use the bottom of page 2.)

1	(a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid (see instructions)

Did you receive dependent care benefits?	No	▶ Complete only Part II below.
	Yes	▶ Complete Part III on the back next.

Caution. If the care was provided in your home, you may owe employment taxes. See the instructions for Form 1040, line 61.

Part II **Credit for Child and Dependent Care Expenses**

2 Information about your **qualifying person(s)**. If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name		(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2004 for the person listed in column (a)
First	Last		

3	Add the amounts in column (c) of line 2. Do not enter more than \$3,000 for one qualifying person or \$6,000 for two or more persons. If you completed Part III, enter the amount from line 28																													
4	Enter your earned income																													
5	If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions); all others , enter the amount from line 4																													
6	Enter the smallest of line 3, 4, or 5																													
7	Enter the amount from Form 1040, line 37	7																												
8	Enter on line 8 the decimal amount shown below that applies to the amount on line 7 If line 7 is:																													
	<table border="0"> <thead> <tr> <th>Over</th> <th>But not over</th> <th>Decimal amount is</th> </tr> </thead> <tbody> <tr><td>\$0—15,000</td><td></td><td>.35</td></tr> <tr><td>15,000—17,000</td><td></td><td>.34</td></tr> <tr><td>17,000—19,000</td><td></td><td>.33</td></tr> <tr><td>19,000—21,000</td><td></td><td>.32</td></tr> <tr><td>21,000—23,000</td><td></td><td>.31</td></tr> <tr><td>23,000—25,000</td><td></td><td>.30</td></tr> <tr><td>25,000—27,000</td><td></td><td>.29</td></tr> <tr><td>27,000—29,000</td><td></td><td>.28</td></tr> </tbody> </table>	Over	But not over	Decimal amount is	\$0—15,000		.35	15,000—17,000		.34	17,000—19,000		.33	19,000—21,000		.32	21,000—23,000		.31	23,000—25,000		.30	25,000—27,000		.29	27,000—29,000		.28		
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9	Multiply line 6 by the decimal amount on line 8. If you paid 2003 expenses in 2004, see the instructions																													
10	Enter the amount from Form 1040, line 43	10																												
11	Enter the amount, if any, from Form 6251, line 31 (see the instructions)	11																												
12	Subtract line 11 from line 10. If zero or less, stop . You cannot take the credit	12																												
13	Credit for child and dependent care expenses. Enter the smaller of line 9 or line 12 here and on Form 1040, line 46	13																												

Part III Dependent Care Benefits

14	Enter the total amount of dependent care benefits you received in 2004. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. Do not include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership	14		
15	Enter the amount forfeited, if any (see the instructions)	15		
16	Subtract line 15 from line 14	16		
17	Enter the total amount of qualified expenses incurred in 2004 for the care of the qualifying person(s)	17		
18	Enter the smaller of line 16 or 17	18		
19	Enter your earned income	19		
20	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> ● If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions for line 5). ● If married filing separately, see the instructions for the amount to enter. ● All others, enter the amount from line 19. 	20		
21	Enter the smallest of line 18, 19, or 20	21		
22	Enter the amount from line 14 that you received from your sole proprietorship or partnership. If you did not receive any such amounts, enter -0-	22		
23	Subtract line 22 from line 16	23		
24	Enter \$5,000 (\$2,500 if married filing separately and you were required to enter your spouse's earned income on line 20)	24		
25	Deductible benefits. Enter the smallest of line 21, 22, or 24. Also, include this amount on the appropriate line(s) of your return (see the instructions)	25		
26	Enter the smaller of line 21 or 24	26		
27	Enter the amount from 25	27		
28	Excluded benefits. Subtract line 27 from line 26. If zero or less, enter -0-	28		
29	Taxable benefits. Subtract line 28 from line 23. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7. On the dotted line next to line 7, enter "DCB"	29		

To claim the child and dependent care credit, complete lines 30-34 below.

30	Enter \$3,000 (\$6,000 if two or more qualifying persons)	30		
31	Add lines 25 and 28	31		
32	Subtract line 31 from line 30. If zero or less, stop . You cannot take the credit. Exception. If you paid 2003 expenses in 2004, see the instructions for line 9.	32		
33	Complete line 2 on the front of this form. Do not include in column (c) any benefits shown on line 31 above. Then, add the amounts in column (c) and enter the total here	33		
34	Enter the smaller of line 32 or 33. Also, enter this amount on line 3 on the front of this form and complete lines 4-13	34		