

What is a Qualified Child?

The Working Family Tax Relief Act of 2004 (WFTRA) adopted uniform language defining a “qualifying child” and “qualifying relative.”

A “**qualifying child**” must meet four tests :

1. Relationship test - MUST be the child, adopted child, grandchild, brother, sister, stepbrother, stepsister, or descendent of any such relative; a foster child also qualifies.
2. Residency test - the child must live in the same principal place of abode as the taxpayer for more than one-half of the tax year.
3. Support test - the child cannot have provided more than one half of his/her own support; and
4. Age requirements - generally the child must be under age 19 as of the close of the tax year (under age 24 in the case of a full-time student) or is permanently and totally disabled. Beginning in 2009 the child must be younger than the taxpayer. However, Code specific age requirements still apply for Child Tax Credit.

A “**qualifying relative**” must satisfy five tests:

1. Relationship test - in addition to the relatives listed earlier, qualifying relationship include parents; grandparents; stepparents; brothers and sisters of parents; father-, mother-, sister-, brother-, son-, daughter-in-law; or anyone who is a member of the taxpayer’s household for the entire year.
2. Support test - taxpayer provided more than one half of the relative’s support for the year;
3. Gross income test - not more than \$3,500 for 2008.
4. Must be a U.S. Citizen; and
5. The relative may not file a joint return with anyone else.