

Name(s) \_\_\_\_\_ SSN \_\_\_\_\_

**Part I – Information about your eligible adopted child**

- 1. Child's full name \_\_\_\_\_
- 2. Child's identifying number \_\_\_\_\_
- 3. Was the adopted child placed in Iowa?  
Yes  ..... Continue to line 4.  
No  ..... Stop. You are not eligible to take this credit.
- 4. Has the adoption been finalized?  
Yes  ..... Continue to line 5.  
No  ..... Stop. You are not eligible to take this credit.
- 5. Year the adoption became final \_\_\_\_\_
- 6. Child's age at adoption \_\_\_\_\_
- 7. Name of other adoptive parent if not included on the IA 1040 \_\_\_\_\_
- 8. Social Security Number of other adoptive parent \_\_\_\_\_

**Part II – Iowa Adoption Tax Credit Calculation**

- 9. If the adoption for this child was finalized during 2019, include the adoption expenses paid or incurred prior to or during this tax year. If the adoption was finalized prior to 2019, include expenses paid or incurred during this tax year only. (If filing claims separately, see instructions)..... 9. \_\_\_\_\_
- 10. Adoption expenses, included in line 9, paid or incurred prior to or during the tax year in which the adoption became final for this child that were reimbursed by an employer or other entity ..... 10. \_\_\_\_\_
- 11. Total qualified adoption expenses paid or incurred for this child.  
Subtract line 10 from line 9 ..... 11. \_\_\_\_\_
- 12. Maximum Iowa Adoption Tax Credit. Enter \$5,000 if line 5 is 2017 or later; enter \$2,500 if line 5 is 2015 or 2016..... 12. \_\_\_\_\_
- 13. Iowa Adoption Tax Credits claimed for the adoption of this child by the taxpayer in other tax years ..... 13. \_\_\_\_\_
- 14. Iowa Adoption Tax Credits claimed for the adoption of this child by other taxpayers in this or other tax years not included on line 13..... 14. \_\_\_\_\_
- 15. Other credits claimed. Add lines 13 and 14 ..... 15. \_\_\_\_\_
- 16. Subtract line 15 from line 12 ..... 16. \_\_\_\_\_
- 17. Iowa Adoption Tax Credit. Enter the smaller of line 11 or 16.  
Also enter in column K of Part II on the IA 148 Tax Credits Schedule..... 17. \_\_\_\_\_

**IA 148 Tax Credits Schedule must be completed.**



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## 2019 IA 177 Iowa Adoption Tax Credit Instructions

Effective for adoptions finalized in 2017 and later, the Iowa Adoption Tax Credit equals the smaller of \$5,000 or qualified adoption expenses paid or incurred by the taxpayer in connection with the adoption of a child by the taxpayer. Include only one adopted child per IA 177 form.

If you and your spouse adopted the child together and file jointly, complete only one IA 177 as only one credit may be claimed between the two of you. If you and your spouse file separately, each spouse must complete an IA 177 as the credit must be divided between the two of you. If you and another adoptive parent each paid qualified adoption expenses to adopt the same child, you must each complete an IA 177. Expenses may be divided as agreed between the adoptive parents when completing two IA 177 forms.

“Qualified adoption expenses” means unreimbursed expenses paid or incurred in connection with the adoption of a child, including medical and hospital expenses of the biological mother that are incident to the child’s birth, welfare agency fees, legal fees, and all other fees and costs that relate to the adoption.

The credit can only be claimed once an adoption is finalized. You may not claim the credit for expenses related to an adoption that has not become final.

The adopted child must be under 18 years old. For an adoption prior to July 1, 2018, the child must be permanently placed in Iowa by the Iowa Department of Human Services or other similar State agency, by a licensed agency, or by a person making an independent placement. Effective July 1, 2018, the child must be permanently placed in Iowa by an adoption service provider, or by an agency meeting the requirements of the Interstate Compact on the Placement of Children.

**Adoptions that became final in 2017 or later:** Your total Iowa Adoption Tax Credit claims across all claim years are limited to \$5,000 for each qualifying adoption.

**Adoptions that became final in 2015 or 2016:** Your total Iowa Adoption Tax Credit claims are limited to \$2,500 for each qualifying adoption.

**Line 2:** The child’s identifying number can be a Social Security Number, an adoption taxpayer identification number, or an individual taxpayer identification number. Leave the line blank if no number is available.

**Line 7:** If you and another person adopted the child, report the name of the other parent if not reported on the IA 1040.

**Line 8:** If you and another person adopted the child, report the Social Security Number of the other parent if not reported on the IA 1040. If you cannot obtain that number, you may leave the line blank.

**Line 9:** For adoptions finalized in a tax year beginning on or after January 1, 2019, you may report all the adoption expenses paid or incurred prior to or during the tax year the adoption was finalized. For adoptions finalized prior to January 1, 2019, you can only report your qualified expenses during the year the expenses were incurred. If expenses were paid or incurred by you and your spouse and you are filing separately or by you and another adoptive parent, only include your share of the expenses. Do not include expenses paid or incurred in 2019 if you or another adoptive parent claimed an Iowa Adoption Tax Credit for those expenses in another tax year.

**Line 13:** If you claimed Iowa Adoption Tax Credits for this child in a different tax year, report those amounts here. Report all amounts claimed on a married filing jointly return.

**Line 14:** Report all Iowa Adoption Tax Credit claims made by another taxpayer for this child. Include amounts paid this tax year or in a different tax year unless you made claims on a married filing jointly return.

Report the tax credit claim in column K of Part II on the IA 148 Tax Credits Schedule; use tax credit code 66 in column I and leave column J blank. If you have completed multiple IA 177 forms, report each credit separately on the IA 148. Any tax credit in excess of tax liability can be refunded or credited to tax liability for the following year.

Include this form and the IA 148 with your IA 1040.