

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 Part I, line 4
 No Stop. You are not eligible to take this credit.
- 4. Year the adoption became final _____
- 5. Child’s age at adoption _____
- 6. Name of other adoptive parent if not included on the IA 1040 _____
- 7. Social Security Number of other adoptive parent _____

Part II – Iowa Adoption Tax Credit Calculation

- 1. Adoption expenses paid or incurred during 2016 for this child. (If filing claims separately, see instructions) 1. _____
- 2. Adoption expenses paid or incurred during 2016 for this child that were reimbursed by an employer or other entity 2. _____
- 3. Qualified adoption expenses paid or incurred during 2016 for this child. Subtract line 2 from line 1 3. _____
- 4. Maximum Iowa Adoption Tax Credit 4. \$2,500
- 5. Iowa Adoption Tax Credits claimed for the adoption of this child by the taxpayer in other tax years 5. _____
- 6. Iowa Adoption Tax Credits claimed for the adoption of this child by other taxpayers in this or other tax years not included on line 5 6. _____
- 7. Other credits claimed. Add line 5 and line 6 7. _____
- 8. Subtract line 7 from line 4 8. _____
- 9. Iowa Adoption Tax Credit. Enter the smaller of line 3 or 8. Also enter in column K of Part II on the IA148 Tax Credit Schedule 9. _____

IA 148 Tax Credits Schedule must be completed.



2016 IA 177 Iowa Adoption Tax Credit Instructions

The Iowa Adoption Tax Credit equals the smaller of \$2,500 or qualified adoption expenses paid or incurred by the taxpayer in connection with the adoption of a child by the taxpayer. If you and your spouse adopted the child together and file jointly, only one credit may be claimed between the two of you. If you and your spouse file separately on the same return, 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, the credit must be divided between the two of you. You can divide the credit in any way.

“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 of a child.

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 person must be under 18 years old and 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.

Adoptions that became final in 2016: If your unreimbursed expenses were less than the maximum allowable credit of \$2,500 in 2016, you may amend your 2014 or 2015 return to claim expenses paid or incurred in those years. Your total Iowa Adoption Tax Credit claims are limited to \$2,500 for each qualifying adoption.

Part I - 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.

Part I - Line 6: If you and another person adopted the child, report the name of the other parent if not reported on the IA 1040.

Part I - Line 7: 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.

Part II – Line 1: Report all adoption expenses paid or incurred in 2016 including any expenses reimbursed by an employer or other entity. 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 2016 if you or another adoptive parent claimed an Iowa Adoption Tax Credit for those expenses in another tax year.

Part II – Line 5: 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.

Part II – Line 6: 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.

Complete a separate IA 177 for each qualifying adoption. 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 177s, 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.