

CAWK_AC	Credit Worksheet Child Adoption Costs - CODE 197	2023
Name	California ID Number	

Credit for Child Adoption Costs - Code 197

Use the worksheet below to figure this credit **using whole dollars only**.
 If more than one adoption qualifies for this credit, complete a separate worksheet for each adoption. The maximum credit is limited to \$2,500 per minor child.

1.	Enter qualifying costs for the child	1	_____
2.	Credit percentage - 50%	2	_____ x .50
3.	Credit amount. Multiply line 1 by line 2. Do not enter more than \$2,500	3	_____

Your allowable credit is limited to \$2,500. Carry over the excess credit to future years until the credit is used.

For the year in which an adoption decree or an order of adoption is entered (e.g., adoption is final), claim a credit for 50% of the cost of adopting a child who was **both**:

- A citizen or legal resident of the United States.
- In the **custody** of a California public agency or a California political subdivision.

Treat a prior unsuccessful attempt to adopt a child (even when the costs were incurred in a prior year) and a later successful adoption of a different child as one effort when computing the cost of adopting the child. Include the following costs if directly related to the adoption process:

- Fees for Department of Social Services or a licensed adoption agency.
- Medical expenses not reimbursed by insurance.
- Travel expenses for the adoptive family.

Note:

- This credit does not apply when a child is adopted from another country or another state, or was not in the custody of a California public agency or a California political subdivision.
- Any deduction for the expenses used to claim this credit must be reduced by the amount of the child adoption costs credit claimed.