

Kiddie credits [CA-ON] ^[1]

Money, Toronto Sun

Author: Williams, Terri

Source: Toronto Sun

Format: Article

Publication Date: 24 Apr 2008

AVAILABILITY

See text below.

EXCERPTS

...

Once a family starts to grow, finances change dramatically. The good news is that the government provides a number of benefits and tax breaks to help ease the financial responsibility of raising a family.

Here are some of the benefits you can receive as a parent:

CHILDCARE DEDUCTIONS [Child Care Expense Deductions, CCED]

If both parents work outside of the home, the parent with the lower income can deduct childcare costs on their tax return. For children under 7, you can claim up to \$7,000 a year for childcare expenses. For every child between 8 and 16, you can claim up to \$4,000 a year for childcare expenses. You can also make childcare cost deductions if you decide to go back to school.

CHILD TAX CREDIT

This federal non-refundable tax credit for dependent children under 18 is brand new. Either parent can claim \$2,000 for each child who was under 18 in 2007. The actual annual tax savings for 2007 is \$310 (15.5% x \$2,000) per child. All families can use this tax credit no matter what their family income.

UNIVERSAL CHILDCARE BENEFIT

This benefit pays \$100 a month for each child under 6. The aim is to help with childcare costs but the payments can be used for any expenses. A family can receive this benefit no matter what the family income is but the parent with the lower income claims it for tax purposes.

CANADA CHILD TAX BENEFIT

This tax benefit helps assist lower income families with dependent children younger than 18. The amount you can receive depends on your family income. There are two parts. The base benefit is about \$1,300 a year for the first two children plus an extra \$90 for the third and any more children. The benefit will begin to be reduced once your family income hits about \$38,000. The National Child Benefit (NCB) pays about \$2,000 for the first child, \$1,700 for the second child and \$1,600 for additional children. This benefit starts to be reduced if the family income is more than about \$21,000.

CHILDREN'S FITNESS TAX CREDIT

While this benefit likely won't apply to my friends with newborns, the government offers a \$500 non-refundable tax credit against the payment of programs that provide physical fitness benefits for children under 16.

Each of these benefits have different rules, qualifications and variations so it is very important to speak to your financial adviser and tax accountant about them to ensure you are maximizing any benefits you are entitled to receive.

- reprinted from the Toronto Sun

Region: Canada ^[2]

Ontario ^[3]

Tags: health ^[4]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/child-care-news/08/04/kiddie-credits-ca>

Links

[1] <https://childcarecanada.org/documents/child-care-news/08/04/kiddie-credits-ca> [2] <https://childcarecanada.org/taxonomy/term/7864> [3]

<https://childcarecanada.org/taxonomy/term/7856> [4] <https://childcarecanada.org/category/tags/health>