

Non-Custodial Parent Claiming Child as Dependent

A divorce decree or a separation agreement may stipulate, or the parents may just agree (form 8332), that a dependent child may be claimed by the non-custodial parent.

IRS rules that the child cannot be the qualified child for any benefit except dependency for the non-custodial parent.

Dependency implies Child Tax Credit (CTC) and Exemption for the child. Under the Tax Cuts and Jobs Act of 2017 (also known as the Trump Tax Cuts) there is no exemption dollar amount. This leaves only the CTC to benefit the non-constodial parent.

Specifically, the following benefits legally remain with the Custodial Parent:

- Head of Household Filing Status.
- Child and Dependent Care Credit
- Earned Income Credit
- Medical expense deduction.

In the case where the Custodial Parent indicates that a form 8332 has been signed allowing the Non-Custodial parent to claim a child, or if a divorce decree exists, then:

The Custodial Parent's tax return in Taxslayer:

1. Lists the child.
2. Indicates the number of months that the child lived with him/her (more than 6).
3. Has checked the box that says "Check if the Qualifying Child is not your dependent.

Taxslayer will include all credits for which he/she is eligible, except for the Child Tax, Additional Child Tax, and the Credit for Other Dependents

The Non-Custodial Parent's tax return in Taxslayer:

1. Lists the child.
2. Indicates the number of months that the child lived with him/her (less than 7).

Taxslayer will inquire if there is a signed form 8332 or a post-1984 divorce decree, which should be checked to affirm. The Non-Custodial Parent will get the Child Tax and Additional Child Tax, or the Credit for Other Dependents.

It should be noted that the only way that Taxslayer will allow other benefits for the non-custodial parent is by the taxpayer indicating that the child lived with him/her for more than 6 months, which would mean that he/she is the custodial parent.

IRS source for above: [Divorced and Separated Parents](#)

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