

ANNUAL STATISTICAL REPORT



October 2009

The New York State Child and Dependent Care Credit

*Background and Statistical
Analysis For Tax Year 2007*

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Statistical Highlights

*Statistical Highlights of
the Child and Dependent
Care Credit for the 2007
Tax Year*

- Over 610,000 resident and nonresident taxpayers claimed \$332.3 million in child and dependent care credit for the 2007 tax year. The average credit taken was \$743 in New York City compared to the statewide average of \$544.
- Over 93 percent of the credit was claimed by taxpayers with incomes below \$75,000. Low to middle income taxpayers also claimed higher average credits than those in the upper income classes.
- Head of household was the most common filing status for returns claiming the credit.
- Over 86 percent of the resident married joint filers claiming the credit had two wage earners.
- Approximately 18 percent of all taxpayers with dependents claimed the child and dependent care credit.
- Over 408,000, or 67 percent, of the total claims were from taxpayers claiming expenses for one qualifying person. Taxpayers with one qualifying person claimed an average credit of \$473 while those with two or more qualifying persons received an average credit of \$689.

Introduction and Background

This report provides a statistical overview of New York's child and dependent care credit (CDCC) for tax year 2007. Summary information is presented on a statewide and county-level basis for numbers and amounts of credit claims based on income, filing status, number of qualifying dependents, and number of wage earners. The data is derived from New York State personal income tax returns filed for the 2007 tax year. To claim the CDCC, taxpayers must file a separate Form IT-216, together with their tax return. It is important to note that some taxpayers receive tax benefits through the Federal dependent care exclusion. These taxpayers are in addition to the total number of taxpayers who claimed the child and dependent care credit noted in this report.

The Federal government first instituted a child and dependent care tax credit in 1976. Beginning in tax year 2003, the Federal credit was significantly enhanced. For tax years 2003 and after, the Federal credit, which is nonrefundable, allows up to \$3,000 of qualifying expenses for one qualifying person and up to \$6,000 of expenses for two or more qualifying persons. A qualifying person is a child under age 13 who can be claimed as a dependent or a disabled spouse or other disabled person that can be claimed as a dependent. Qualifying persons must share a home with the taxpayer. For one qualifying person, the credit reaches a maximum level of \$1,050 for Federal adjusted gross incomes (FAGI) below \$15,000, phasing down to \$600 when FAGI exceeds \$43,000. For two or more qualifying persons, the maximum credit is \$2,100 for FAGI below \$15,000, phasing down to \$1,200 for FAGI above \$43,000.

Effective beginning in the 1977 tax year, New York adopted a nonrefundable CDCC equal to 20 percent of the Federal credit. Except for the impact of some minor changes to the federal credit, New York's CDCC remained unchanged through 1995. However, a series of law changes enacted in 1996 through 2000 gradually increased the credit percentage at certain income levels, above which it continues to phase down to 20 percent. Also, effective in 1996 the CDCC was made refundable for New York residents, though the CDCC remains nonrefundable for nonresidents. Finally, the New York credit increased again beginning in 2003 because it incorporated the Federal enhancements.

New York City instituted a child and dependent care credit in 2007. For tax years beginning on or after January 1, 2007, full-year and part-year New York City residents with federal adjusted gross income of \$30,000 or less who paid child care expenses for children under the age of four may be eligible to claim the New York City child and dependent care credit. The New York City child and dependent care credit can be as much as 75 percent of the New York State child and dependent care credit, depending on the amount of the taxpayer's federal adjusted gross income. The credit may be claimed in addition to the New York State child and dependent care credit. Over 50,000 full-year and part-year New York City residents claimed nearly \$31 million in New York City child and dependent care credit for the 2007 tax year.

Table 1 summarizes these changes:

Provision	Before 1996	1996	1997	1998	1999	2000-02	2003-09*
Maximum Percentage of the Federal Credit	20	30	60	100	100	110	110
Maximum Income for 100% Credit	NA	\$10,000	\$10,000	\$17,000	\$35,000	\$50,000	\$50,000
Maximum Amount 2 or more Children	\$288	\$432	\$864	\$1,440	\$1,440	\$1,584	\$2,310
Minimum Amount 1 Child	\$96	\$96	\$96	\$96	\$96	\$96	\$120
Minimum Amount 2 or More Children	\$192	\$192	\$192	\$192	\$192	\$192	\$240
Income Range Over Which Credit Phases	NA	\$10-14,000	\$10-14,000	\$17-30,000	\$35-50,000	\$50-65,000	\$50-65,000

* Tax years through 2002 calculated using the maximum pre-2003 qualifying expenses of \$2,400 (for 1 child) and \$4,800 (for 2 or more children). Tax Years 2003 and later calculated using qualifying expenses of \$3,000 (1 child) and \$6,000 (2 or more children).

Currently, the CDCC equals 110 percent of the Federal credit for taxpayers with NYAGI below \$25,000. Percentages ranging from 110 percent to 20 percent apply to those with incomes from \$25,000 to \$65,000. Taxpayers with incomes over \$65,000 receive 20 percent of the federal credit. The following figure shows how the credit varies by income and number of qualifying dependents:

Figure 1

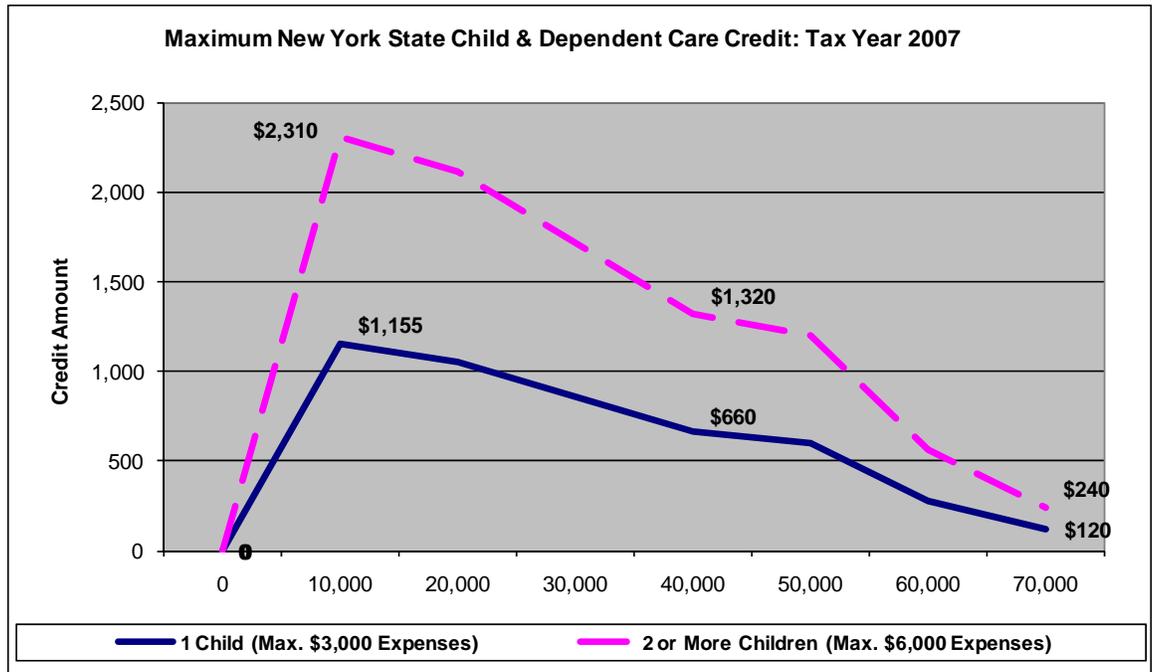
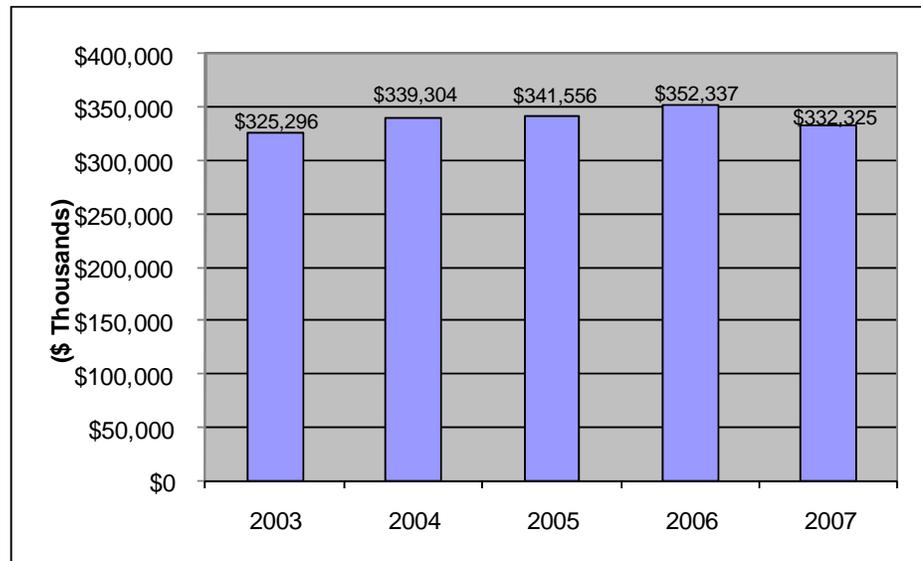
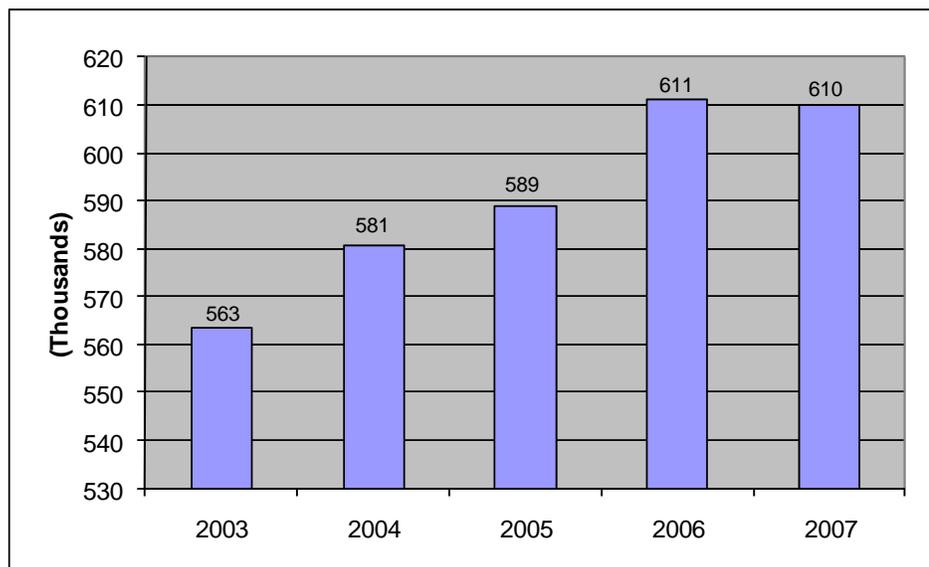


Figure 2: Total New York State Child Dependent Care Credit Claimed 2003-2007



The total child dependent care credit increased from approximately \$325.3 million in 2003 to \$332.3 million in 2007. Figure 2 shows how the total credit claimed has varied over this time frame. Over 610,000 returns claimed the child dependent care credit in 2007. This is an 8.3 percent increase over what was taken in 2003 and approximately the same as the number claimed in 2006. Figure 3 shows credit claimants since tax year 2003.

Figure 3: Total New York State Child Dependent Credit Claimants 2003-2007



States with Child and Dependent Care Provisions

Table 2 provides details on current state child care provisions. Currently, some 27 states have such provisions. These provisions include both refundable and nonrefundable credits, subtractions, deductions, and itemized deductions. New York's CDCC provisions are the highest in the nation in terms of both the credit percentage and income ranges at which specific credit rates apply. Moreover, New York's credit is fully refundable.

Table 2: State Child & Dependent Care Tax Provisions as of January 1, 2009

State	Maximum % of Federal Credit	Link to Federal Structure	Refundable for Residents	Income Measure	Maximum Benefit Income Range (1)	Max. Eff. State Benefit Rate (2)	Minimum Benefit Income Range (1)	Min. Eff. State Benefit Rate (2)
Federal	100%	N/A	No	FAGI	\$0 - \$15,000	35.00%	\$43,001 and over	20.00%
AR	20%	Credit	Yes/No	N/A	Same as Federal	7.00%	Same as Federal	4.00%
CA	50%	Credit	Yes	California AGI	\$0 - \$40,000	17.50%	\$100,001 and over	0.00%
CO	50%	Credit	Yes	Same as Federal	\$0 - \$25,000	17.50%	\$60,001 and over	0.00%
DE	50%	Credit	No	N/A	Same as Federal	17.50%	Same as Federal	10.00%
GA	30%	Credit	No	Same as Federal	Same as Federal	10.50%	Same as Federal	6.00%
HI (3)	25%	Expense	Yes	Hawaii AGI	\$0 - \$22,000	25.00%	\$40,001 and over	15.00%
ID	Subtraction	Expense	N/A	N/A	\$45,114 and over	7.80%	\$0 - \$2,258	1.60%
IA	75%	Credit	Yes	Iowa Net Income	\$0 - \$9,999	26.25%	\$45,000 and over	0.00%
KS	25%	Credit	No	N/A	Same as Federal	8.75%	Same as Federal	5.00%
KY	20%	Credit	No	N/A	Same as Federal	7.00%	Same as Federal	4.00%
LA	50%	Credit	No	Same as Federal	\$0 - \$25,000	17.50%	\$60,001 and over	3.50%
ME	50%	Credit	Yes	N/A	Same as Federal	17.50%	Same as Federal	4.30%
MD	32.5%	Credit	No	Same as Federal	\$0 - \$41,000	11.375%	\$50,001 and over	0.00%
MA (4)	Deduction	Expense	N/A	N/A	N/A	5.30%	N/A	5.30%
MN	100%	Credit	Yes	Household Income	\$0 - \$20,420	35.00%	\$34,070 and over	0.00%
MT	Itemized Deduction	N/A	N/A	Montana AGI	\$0 - \$22,800	6.90%	\$22,801 and over	1.00%
NE	100%	Credit	Yes/No	Same as Federal	\$0 - \$22,000	35.00%	\$29,001 and over	5.00%
NM	N/A	N/A	Yes	NM Modified Gross Income	\$0 - \$21,424	NA	\$21,425 and over	0.00%
NY	110%	Credit	Yes	New York AGI	\$0 - \$25,000	38.50%	\$65,000 and over	4.00%
NC	13%	Expense	No	Same as Federal	\$0 - \$25,000	13.00%	\$40,001 and over	10.00%
OH	100%	Credit	No	Ohio AGI	\$0 - \$19,999	35.00%	\$40,001 and over	0.00%
OK	20%	Credit	No	N/A	Same as Federal	7.00%	Same as Federal	4.00%
OR	40%	Credit	Yes	FAGI/Poverty Level	\$0 - \$36,488	14.00%	\$45,610 and over	0.00%
RI	25%	Credit	No	Same as Federal	Same as Federal	8.75%	Same as Federal	5.00%
SC	7%	Expense	No	N/A	Same as Federal	7.00%	N/A	N/A
VT	50%	Credit	Yes	Same as Federal	\$0 - \$40,000	17.50%	\$40,001 and over	0.00%
VA	Deduction	Expense	No	N/A	Same as Federal	5.75%	Same as Federal	2.00%

Notes:

- (1) The maximum Federal credit is 35% of qualifying expenses in the Federal Adjusted Gross Income (FAGI) range \$0 - \$15,000. The minimum percentage is 20% of qualifying expenses for taxpayers with FAGI over \$43,000. Qualifying expenses must exceed earned income. Maximum qualifying expenses are \$3,000 for one dependent and \$6,000 for two or more dependents.
- (2) Maximum or minimum effective state benefit rates are calculated for comparison with Federal benefit rates.
- (3) Qualifying expenses are the pre-2003 Federal expense amounts of \$2,400 (one dependent) and \$4,800 (two or more dependents).
- (4) Qualifying expense amounts are \$4,600 (one dependent) and \$9,600 (two or more dependents).

Source: Office of Tax Policy Analysis, based largely on Commerce Clearinghouse State Tax Guide and National Women's Law Center, "Making Care Less Taxing-Improving State Child and Dependent Care Provisions"

One way to compare the relative value of state child and dependent care tax provisions (and the Federal credit) is to calculate maximum and minimum benefit rates. Benefit rates are the percentage of Federal expenses multiplied by the maximum (or minimum) percent of the Federal credit allowed. For example, for tax years 2007, New York's highest benefit of 110 percent of the Federal credit equals a maximum benefit rate of 38.5 percent versus the Federal benefit rate of 35 percent. The minimum benefit rate is 4 percent, or 20 percent of the minimum Federal credit allowed (20 percent of expenses).

Overview of Statistical Tables

The following tables present information regarding the child and dependent care credit claimed by New York State income taxpayers on returns filed for the 2007 tax year. The information is derived from returns which claimed the credit on their New York State income tax returns for that year. The child and dependent care credit reported for nonresidents is the amount claimed after allocation.

Table 3 shows the CDCC claimed by place of residence for tax year 2007. A total of 610,346 resident and nonresident taxpayers claimed \$332.3 million in credit with an average credit taken of \$544. Approximately \$222 million, or 67 percent, of the total credit was claimed by taxpayers residing in New York City. These taxpayers accounted for nearly 49 percent of credits claimed and their average credit was \$743. The New York City average credit is significantly higher than the statewide average due to the higher cost of child care services and, potentially, differences in labor market conditions (including wages). The \$69.8 million claimed by residents of Kings County (Brooklyn) was the largest amount claimed in a single county. Credit claimants in the Bronx had the highest average credit in the State of \$871.

Table 4 presents the number and dollar amount of credit claimed by New York State adjusted gross income class for tax year 2007. The table shows that 93 percent of the credit was claimed by taxpayers with incomes below \$75,000. Low to middle income taxpayers also claimed higher average credits than those in the upper income classes.

Tables 5a-c contain information on the child and dependent care credit by filing status and county of residence in tax year 2007. The tables illustrate that taxpayers filing as head of household constituted the largest category with over \$258 million of credit claimed by nearly 325,000 taxpayers. Taxpayers filing as married joint/qualifying widower or head of household claimed \$314.8 million of the \$332.3 million in total credit.

Table 6 presents information on credit claimed by resident married joint returns with one or two wage earners for tax year 2007. As expected, over 86 percent of the resident married joint filers claiming the credit had two wage earners. The average credit claimed by one wage earner families was \$153 more than the average for dual income families.

Table 7 shows the number of returns claiming the credit as a percentage of all returns with dependents by county of residence. Overall, the table illustrates that approximately 18 percent of all taxpayers with dependents claimed the child and dependent care credit in 2007. This ranges from a low of 4.7 percent in Hamilton County to a high of 27.5 percent in Bronx County.

Tables 8a and 8b present county level information on the child and dependent care credit by number of persons who qualify for the credit for tax year 2007. The tables show that 408,540, or 67 percent, of the total claims were from taxpayers claiming expenses for one qualifying person. Taxpayers with one qualifying person claimed an average credit of \$473 while those with two or more qualifying persons received an average credit of \$689.

Table 3

**Child & Dependent Care Credit By
Place of Residence for Tax Year 2007**

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	51,888	\$36,844	\$710
Bronx	77,180	\$67,231	\$871
Richmond	12,106	\$6,065	\$501
Kings	94,569	\$69,775	\$738
Queens	62,413	\$41,749	\$669
New York City	298,156	\$221,663	\$743

Rest of State			
Albany	8,017	\$3,145	\$392
Allegany	492	\$139	\$283
Broome	3,286	\$1,102	\$335
Cattaraugus	1,098	\$369	\$336
Cayuga	1,351	\$427	\$316
Chautauqua	1,680	\$521	\$310
Chemung	1,404	\$425	\$303
Chenago	842	\$264	\$314
Clinton	1,504	\$413	\$275
Columbia	938	\$282	\$300
Cortland	976	\$334	\$342
Delaware	605	\$221	\$365
Dutchess	7,121	\$2,339	\$329
Erie	20,471	\$7,846	\$383
Essex	552	\$166	\$301
Franklin	755	\$283	\$375
Fulton	824	\$311	\$378
Genesee	929	\$267	\$288
Greene	535	\$164	\$307
Hamilton	30	\$15	\$498
Herkimer	902	\$329	\$365
Jefferson	1,721	\$563	\$327
Lewis	312	\$77	\$247
Livingston	955	\$254	\$266
Madison	1,193	\$370	\$311
Monroe	16,355	\$6,241	\$382
Montgomery	806	\$365	\$452
Nassau	39,108	\$16,395	\$419
Niagara	4,212	\$1,402	\$333
Oneida	3,865	\$1,665	\$431
Onondaga	10,869	\$4,482	\$412
Ontario	2,041	\$550	\$270

Rest of State			
Orange	10,937	\$5,320	\$486
Orleans	514	\$184	\$357
Oswego	1,643	\$531	\$323
Otsego	987	\$290	\$294
Putnam	2,741	\$640	\$234
Rensselaer	4,149	\$1,469	\$354
Rockland	8,924	\$3,734	\$418
St. Lawrence	1,227	\$379	\$309
Saratoga	4,791	\$1,138	\$237
Schenectady	3,646	\$1,466	\$402
Schoharie	439	\$135	\$308
Schuyler	287	\$81	\$283
Seneca	506	\$182	\$359
Steuben	1,814	\$574	\$317
Suffolk	41,733	\$18,675	\$447
Sullivan	1,552	\$684	\$441
Tioga	921	\$240	\$260
Tompkins	1,984	\$516	\$260
Ulster	3,436	\$1,219	\$355
Warren	1088	\$351	\$323
Washington	839	\$292	\$349
Wayne	1,814	\$558	\$308
Westchester	30,097	\$14,077	\$468
Wyoming	627	\$157	\$251
Yates	305	\$98	\$323
Unclassified*	74	\$14	\$184
Other**	49,366	\$5,928	\$120
Total Residents:	555,802	\$325,634	\$586
Part Year Residents:	8,031	\$1,324	\$165
Non-Residents:	46,513	\$5,367	\$115
Grand Total:	610,346	\$332,325	\$544

* Place of residence cannot be determined from return.

** Includes returns with out-of-state addresses.

Table 4

**Child and Dependent Care Credit
By New York State Adjusted Gross Income
For Tax Year 2007**

NYSAGI	# Credits	# Credits Cumulative	# Credits Cumulative Percent	\$ Amount (000's)	\$ Amount Cumulative (000's)	\$ Amount Cumulative Percent	Average Credit
Less Than \$5,000	5,569	5,569	0.9%	3,383	\$3,383	1.0%	\$607
\$5,000- \$9,999	23,145	28,714	4.7%	18,902	\$22,284	6.7%	\$817
\$10,000- \$19,999	71,562	100,276	16.4%	72,526	\$94,811	28.5%	\$1,013
\$20,000- \$29,999	92,452	192,728	31.6%	92,604	\$187,414	56.4%	\$1,002
\$30,000- \$39,999	78,372	271,100	44.4%	65,742	\$253,156	76.2%	\$839
\$40,000- \$49,999	51,725	322,825	52.9%	33,740	\$286,897	86.3%	\$652
\$50,000- \$59,999	37,279	360,104	59.0%	16,991	\$303,888	91.4%	\$456
\$60,000- \$74,999	45,084	405,188	66.4%	6,492	\$310,380	93.4%	\$144
\$75,000- \$99,999	60,408	465,596	76.3%	6,685	\$317,065	95.4%	\$111
\$100,000- \$199,999	103,592	569,188	93.3%	11,111	\$328,177	98.8%	\$107
\$200,000 & Over	41,158	610,346	100.0%	4,149	\$332,325	100.0%	\$101
Totals	610,346			\$332,325			\$544

Table 5a

**Child & Dependent Care Credit By Place of Residence
And Single Filing Status for Tax Year 2007***

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	3,400	\$3,228	\$949
Bronx	5,751	\$5,540	\$963
Richmond	251	\$200	\$795
Kings	2,876	\$2,457	\$854
Queens	1,607	\$1,442	\$897
New York City	13,885	\$12,866	\$927
Rest of State			
Albany	234	\$142	\$605
Allegany	12	\$7	\$594
Broome	67	\$40	\$590
Cattaraugus	30	\$15	\$499
Cayuga	33	\$16	\$490
Chautauqua	47	\$26	\$557
Chemung	35	\$20	\$570
Chenago	27	\$10	\$367
Clinton	28	\$13	\$470
Columbia	23	\$13	\$577
Cortland	27	\$18	\$663
Delaware	13	\$8	\$641
Dutchess	110	\$70	\$633
Erie	457	\$268	\$587
Essex	12	\$6	\$491
Franklin	14	\$9	\$648
Fulton	18	\$10	\$536
Genesee	30	\$15	\$487
Greene	21	\$15	\$718
Hamilton	(D)	(D)	(D)
Herkimer	23	\$12	\$537
Jefferson	24	\$11	\$468
Lewis	18	\$10	\$539
Livingston	31	\$15	\$478
Madison	31	\$18	\$587
Monroe	426	\$264	\$620
Montgomery	25	\$16	\$644
Nassau	1,065	\$956	\$898
Niagara	93	\$51	\$546
Oneida	83	\$43	\$515
Onondaga	444	\$286	\$644
Ontario	47	\$22	\$474
Rest of State			
Orange	226	\$168	\$745
Orleans	22	\$16	\$733
Oswego	48	\$26	\$537
Otsego	25	\$12	\$493
Putnam	27	\$16	\$605
Rensselaer	128	\$72	\$564
Rockland	145	\$109	\$749
St. Lawrence	31	\$18	\$592
Saratoga	76	\$46	\$601
Scheneclady	131	\$84	\$640
Schoharie	(D)	(D)	(D)
Schuyler	(D)	(D)	(D)
Seneca	12	\$10	\$806
Steuben	66	\$35	\$527
Suffolk	1,115	\$968	\$868
Sullivan	37	\$22	\$605
Tioga	17	\$11	\$631
Tompkins	28	\$11	\$405
Ulster	59	\$34	\$579
Warren	24	\$14	\$565
Washington	27	\$15	\$552
Wayne	53	\$29	\$544
Westchester	549	\$438	\$799
Wyoming	13	\$5	\$378
Yates	11	\$8	\$722
Unclassified**	(D)	(D)	(D)
Other+	396	\$110	\$279
Total Residents:	20,211	\$17,445	\$863
Part Year Residents:	147	\$34	\$232
Non-Residents:	354	\$95	\$267
Grand Total:	20,712	\$17,574	\$848

* Taxpayers filing as "married separate" generally are not allowed to take the child and dependent care credit.

** Place of residence cannot be determined from return.

+ Includes returns with out-of-state addresses.

NOTES:

- (D) denotes Tax Law secrecy provisions prohibit disclosure.

Table 5b

**Child & Dependent Care Credit By Place of Residence
And Married Joint & Qualifying Widow Filing Status for Tax Year 2007***

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	13,999	\$3,790	\$271
Bronx	8,061	\$3,752	\$465
Richmond	5,623	\$1,181	\$210
Kings	22,839	\$9,339	\$409
Queens	20,290	\$7,294	\$359
New York City	70,812	\$25,356	\$358
Rest of State			
Albany	4,416	\$687	\$156
Allegany	358	\$63	\$177
Broome	2,035	\$387	\$190
Cattaraugus	694	\$145	\$208
Cayuga	891	\$156	\$175
Chautauqua	1,074	\$209	\$195
Chemung	913	\$155	\$169
Chenago	567	\$111	\$197
Clinton	1,070	\$181	\$170
Columbia	641	\$102	\$158
Cortland	638	\$133	\$209
Delaware	398	\$103	\$258
Dutchess	4,546	\$706	\$155
Erie	11,267	\$1,731	\$154
Essex	389	\$78	\$202
Franklin	461	\$109	\$235
Fulton	472	\$102	\$215
Genesee	631	\$97	\$154
Greene	381	\$73	\$192
Hamilton	19	\$5	\$259
Herkimer	586	\$132	\$226
Jefferson	1,205	\$288	\$239
Lewis	241	\$40	\$165
Livingston	693	\$115	\$166
Madison	841	\$144	\$171
Monroe	9,176	\$1,358	\$148
Montgomery	419	\$91	\$218
Nassau	22,571	\$4,205	\$186
Niagara	2,554	\$402	\$157
Oneida	2,262	\$553	\$244
Onondaga	5,975	\$990	\$166
Ontario	1,466	\$246	\$168
Rest of State			
Orange	5,748	\$1,284	\$223
Orleans	303	\$62	\$204
Oswego	1,078	\$205	\$190
Otsego	698	\$144	\$206
Putnam	2,124	\$310	\$146
Rensselaer	2,442	\$376	\$154
Rockland	5,475	\$1,241	\$227
St. Lawrence	824	\$162	\$197
Saratoga	3,614	\$499	\$138
Schenectady	2,020	\$369	\$182
Schoharie	315	\$65	\$207
Schuyler	204	\$40	\$198
Seneca	319	\$65	\$204
Steuben	1,243	\$263	\$211
Suffolk	24,022	\$4,505	\$188
Sullivan	827	\$176	\$213
Tioga	689	\$130	\$189
Tompkins	1,411	\$232	\$165
Ulster	2,154	\$396	\$184
Warren	720	\$127	\$177
Washington	537	\$115	\$214
Wayne	1,222	\$219	\$179
Westchester	15,365	\$2,816	\$183
Wyoming	454	\$75	\$165
Yates	199	\$39	\$195
Unclassified**	52	\$4	\$72
Other+	40,076	\$3,178	\$79
Total Residents:	221,508	\$52,857	\$239
Part Year Residents:	4,906	\$518	\$106
Non-Residents:	<u>38,383</u>	<u>\$2,974</u>	<u>\$77</u>
Grand Total:	264,797	\$56,349	\$213

* Taxpayers filing as "married separate" generally are not allowed to take the child and dependent care credit.

** Place of residence cannot be determined from return.

Table 5c

**Child & Dependent Care Credit By Place of Residence
And Head of Household Filing Status for Tax Year 2007***

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	34,489	\$29,826	\$865
Bronx	63,368	\$57,939	\$914
Richmond	6232	\$4,685	\$752
Kings	68,854	\$57,979	\$842
Queens	40,516	\$33,013	\$815
New York City	213,459	\$183,442	\$859

Rest of State			
Albany	3,367	\$2,316	\$688
Allegany	122	\$69	\$564
Broome	1,184	\$676	\$571
Cattaraugus	374	\$209	\$560
Cayuga	427	\$255	\$596
Chautauqua	559	286	\$512
Chemung	456	\$251	\$550
Chenago	248	\$143	\$576
Clinton	406	\$219	\$538
Columbia	274	\$167	\$609
Cortland	311	\$183	\$588
Delaware	194	\$110	\$568
Dutchess	2,465	\$1,564	\$634
Erie	8,747	\$5,847	\$668
Essex	151	\$82	\$541
Franklin	280	\$165	\$590
Fulton	334	\$200	\$599
Genesee	268	\$155	\$580
Greene	133	\$76	\$573
Hamilton	11	\$10	\$910
Herkimer	293	\$184	\$628
Jefferson	492	\$263	\$536
Lewis	53	\$27	\$518
Livingston	231	\$125	\$540
Madison	321	\$208	\$648
Monroe	6,753	\$4,619	\$684
Montgomery	362	\$257	\$710
Nassau	15,472	\$11,233	\$726
Niagara	1,565	\$949	\$607
Oneida	1,520	\$1,070	\$704
Onondaga	4,450	\$3,206	\$720
Ontario	528	\$282	\$533

Rest of State			
Orange	4963	\$3,868	\$779
Orleans	189	\$106	\$559
Oswego	517	\$300	\$581
Otsego	264	\$134	\$506
Putnam	590	\$314	\$532
Rensselaer	1579	\$1,021	\$646
Rockland	3304	\$2,385	\$722
St. Lawrence	372	\$199	\$534
Saratoga	1101	\$593	\$539
Schenectady	1495	\$1,014	\$678
Schoharie	120	\$68	\$566
Schuyler	75	\$39	\$515
Seneca	175	\$107	\$611
Steuben	505	\$277	\$548
Suffolk	16596	\$13,202	\$796
Sullivan	688	\$486	\$707
Tioga	215	\$99	\$461
Tompkins	545	\$272	\$499
Ulster	1223	\$789	\$645
Warren	344	\$210	\$611
Washington	275	\$163	\$591
Wayne	539	\$310	\$575
Westchester	14183	\$10,822	\$763
Wyoming	160	\$77	\$483
Yates	95	\$52	\$543
Unclassified**	21	\$10	\$465
Other+	8894	\$2,640	\$297
Total Residents:	314,083	\$255,332	\$813
Part Year Residents:	2,978	\$772	\$259
Non-Residents:	7776	\$2,299	\$296
Grand Total:	324,837	\$258,403	\$795

* Taxpayers filing as "married separate" generally are not allowed to take the child and dependent care credit.

** Place of residence cannot be determined from return.

+ Includes returns with out-of-state addresses.

Table 6

**Child & Dependent Care Credit For Resident
Married Filing Joint Returns By Number of Wage
Earners and Place of Residence for Tax Year 2007**

County	One Wage Earner			Two Wage Earners		
	# Credits	\$ Allowed	Average Credit	# Credits	\$ Allowed	Average Credit
Manhattan	3,077	\$1,061,169	\$345	10,146	\$2,575,144	\$254
Bronx	1,575	\$1,162,919	\$738	6,482	\$2,465,960	\$380
Richmond	636	\$202,814	\$319	5,028	\$985,540	\$196
Kings	4,579	\$2,511,278	\$548	17,130	\$6,151,326	\$359
Queens	3,504	\$1,814,291	\$518	16,231	\$4,971,355	\$306
New York City	13,371	6,752,471	\$505	55,017	\$17,149,325	\$312
Rest of State	17,173	\$4,299,394	\$250	135,554	\$22,659,757	\$167
Total Residents:	30,544	\$11,051,865	\$362	190,571	\$39,809,082	\$209

NOTE: Information for this table was estimated from a sample of 2007 tax returns.

Table 7

**Child & Dependent Care Credit
As Percent of All Returns With Dependents
by Place of Residence for Tax Year 2007***

County	# Returns with Credits	# Returns With Dependents	Credits as Percent of Returns With Dependents
Manhattan	51,888	230,292	22.5%
Bronx	77,180	280,637	27.5%
Richmond	12,106	74,641	16.2%
Kings	94,569	425,180	22.2%
Queens	62,413	363,231	17.2%
New York City	298,156	1,373,981	21.7%

Rest of State			
Albany	8,017	44,630	18.0%
Allegany	492	6,604	7.5%
Broome	3,286	28,527	11.5%
Cattaraugus	1,098	11,537	9.5%
Cayuga	1,351	11,655	11.6%
Chautauqua	1,680	19,333	8.7%
Chemung	1,404	13,108	10.7%
Chenago	842	7,819	10.8%
Clinton	1,504	11,584	13.0%
Columbia	938	8,892	10.5%
Cortland	976	7,021	13.9%
Delaware	605	6,257	9.7%
Dutchess	7,121	45,477	15.7%
Erie	20,471	137,320	14.9%
Essex	552	5,228	10.6%
Franklin	755	7,184	10.5%
Fulton	824	8,647	9.5%
Genesee	929	8,977	10.3%
Greene	535	6,692	8.0%
Hamilton	30	641	4.7%
Herkimer	902	9,483	9.5%
Jefferson	1,721	15,150	11.4%
Lewis	312	3,861	8.1%
Livingston	955	9,118	10.5%
Madison	1,193	10,372	11.5%
Monroe	16,355	116,643	14.0%
Montgomery	806	7,894	10.2%
Nassau	39,108	228,101	17.1%
Niagara	4,212	32,711	12.9%
Oneida	3,865	34,431	11.2%
Onondaga	10,869	72,951	14.9%
Ontario	2,041	16,036	12.7%

Rest of State			
Orange	10,937	65,052	16.8%
Orleans	514	6,343	8.1%
Oswego	1,643	19,136	8.6%
Otsego	987	8,170	12.1%
Putnam	2,741	16,332	16.8%
Rensselaer	4,149	23,417	17.7%
Rockland	8,924	49,835	17.9%
St. Lawrence	1,227	15,214	8.1%
Saratoga	4,791	33,944	14.1%
Schenectady	3,646	24,525	14.9%
Schoharie	439	4,470	9.8%
Schuyler	287	2,706	10.6%
Seneca	506	4,926	10.3%
Steuben	1,814	15,124	12.0%
Suffolk	41,733	253,053	16.5%
Sullivan	1,552	11,667	13.3%
Tioga	921	7,934	11.6%
Tompkins	1,984	11,406	17.4%
Ulster	3,436	26,438	13.0%
Warren	1,088	10,036	10.8%
Washington	839	9,193	9.1%
Wayne	1,814	15,281	11.9%
Westchester	30,097	160,556	18.7%
Wyoming	627	5,747	10.9%
Yates	305	3,471	8.8%
Unclassified*	74	1,076	6.9%
Other**	49,366	323,365	15.3%
Total Residents:	555,802	3,098,075	17.9%
Part Year Residents:	8,031	49,275	16.3%
Non-Residents:	46,513	308,932	15.1%
Grand Total:	610,346	3,456,282	17.7%

* Place of residence cannot be determined from return.

** Includes returns with out-of-state addresses.

Table 8a

**Child & Dependent Care Credit By
Place of Residence
For One Qualifying Person for Tax Year 2007**

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	36,009	\$21,752	\$604
Bronx	53,946	\$37,981	\$704
Richmond	8,195	\$3,377	\$412
Kings	67,585	\$41,829	\$619
Queens	44,620	\$25,391	\$569
New York City	210,355	\$130,329	\$620

Rest of State			
Albany	5,300	\$1,886	\$356
Allegany	309	\$83	\$269
Broome	2,216	\$666	\$301
Cattaraugus	699	\$204	\$292
Cayuga	881	\$251	\$285
Chautauqua	1,070	\$288	\$269
Chemung	914	\$245	\$268
Chenago	547	\$159	\$291
Clinton	992	\$260	\$262
Columbia	646	\$173	\$268
Cortland	651	\$209	\$321
Delaware	392	\$124	\$316
Dutchess	4,724	\$1,392	\$295
Erie	12,955	\$4,270	\$330
Essex	364	\$102	\$280
Franklin	488	\$163	\$335
Fulton	603	\$195	\$324
Genesee	616	\$164	\$267
Greene	397	\$107	\$269
Hamilton	16	\$7	\$465
Herkimer	594	\$189	\$317
Jefferson	1,146	\$336	\$293
Lewis	201	\$46	\$229
Livingston	653	\$167	\$256
Madison	760	\$214	\$282
Monroe	10,123	\$3,542	\$350
Montgomery	548	\$224	\$409
Nassau	25,181	\$9,450	\$375
Niagara	2,755	\$822	\$299
Oneida	2,575	\$926	\$360
Onondaga	6,924	\$2,462	\$356
Ontario	1,269	\$334	\$263

Rest of State			
Orange	7,164	\$2,774	\$387
Orleans	349	\$107	\$307
Oswego	1,110	\$319	\$287
Otsego	643	\$167	\$260
Putnam	1,753	\$372	\$212
Rensselaer	2,811	\$886	\$315
Rockland	5,488	\$2,027	\$369
St. Lawrence	754	\$211	\$280
Saratoga	3,068	\$706	\$230
Schenectady	2,428	\$869	\$358
Schoharie	293	\$81	\$275
Schuyler	192	\$55	\$288
Seneca	342	\$116	\$340
Steuben	1,120	\$316	\$282
Suffolk	27,422	\$10,586	\$386
Sullivan	1,036	\$396	\$382
Tioga	586	\$137	\$234
Tompkins	1,289	\$326	\$253
Ulster	2,394	\$748	\$313
Warren	730	\$216	\$295
Washington	551	\$172	\$312
Wayne	1,152	\$330	\$286
Westchester	18,847	\$7,895	\$419
Wyoming	426	\$101	\$238
Yates	191	\$59	\$309
Unclassified*	45	\$9	\$205
Other**	28,492	\$3,258	\$114
Total Residents:	376,497	\$189,477	\$503
Part Year Residents:	5,434	\$821	\$151
Non-Residents:	<u>26,609</u>	<u>\$2,932</u>	<u>\$110</u>
Grand Total:	408,540	\$193,229	\$473

* Place of residence cannot be determined from return.

** Includes returns with out-of-state addresses.

Table 8b

**Child & Dependent Care Credit By
Place of Residence
For Two or More Qualifying Persons for Tax Year 2007**

County	# Credits	\$ Amount (000's)	Average Credit
Manhattan	15,879	\$15,093	\$950
Bronx	23,234	\$29,250	\$1,259
Richmond	3,911	\$2,688	\$687
Kings	26,984	\$27,946	\$1,036
Queens	17,793	\$16,358	\$919
New York City	87,801	\$91,334	\$1,040

Rest of State			
Albany	2,717	\$1,259	\$463
Allegany	183	\$56	\$307
Broome	1,070	\$436	\$408
Cattaraugus	399	\$165	\$413
Cayuga	470	\$175	\$373
Chautauqua	610	\$233	\$383
Chemung	490	\$180	\$367
Chenago	295	\$105	\$355
Clinton	512	\$154	\$300
Columbia	292	\$108	\$371
Cortland	325	\$125	\$383
Delaware	213	\$97	\$457
Dutchess	2,397	\$948	\$395
Erie	7,516	\$3,576	\$476
Essex	188	\$64	\$340
Franklin	267	\$120	\$448
Fulton	221	\$116	\$524
Genesee	313	\$103	\$330
Greene	138	\$58	\$418
Hamilton	14	\$7	\$535
Herkimer	308	\$140	\$455
Jefferson	575	\$227	\$395
Lewis	111	\$31	\$279
Livingston	302	\$87	\$289
Madison	433	\$156	\$361
Monroe	6,232	\$2,699	\$433
Montgomery	258	\$141	\$545
Nassau	13,927	\$6,945	\$499
Niagara	1,457	\$579	\$398
Oneida	1,290	\$739	\$573
Onondaga	3,945	\$2,019	\$512
Ontario	772	\$217	\$281

Rest of State			
Orange	3,773	\$2,546	\$675
Orleans	165	\$77	\$464
Oswego	533	\$212	\$397
Otsego	344	\$123	\$357
Putnam	988	\$268	\$271
Rensselaer	1,338	\$583	\$435
Rockland	3,436	\$1,708	\$497
St. Lawrence	473	\$168	\$355
Saratoga	1,723	\$431	\$250
Schenectady	1,218	\$597	\$490
Schoharie	146	\$55	\$375
Schuyler	95	\$26	\$274
Seneca	164	\$65	\$399
Steuben	694	\$259	\$373
Suffolk	14,311	\$8,089	\$565
Sullivan	516	\$289	\$560
Tioga	335	\$103	\$307
Tompkins	695	\$189	\$272
Ulster	1,042	\$471	\$452
Warren	358	\$136	\$379
Washington	288	\$120	\$418
Wayne	662	\$228	\$345
Westchester	11,250	\$6,182	\$550
Wyoming	201	\$56	\$277
Yates	114	\$39	\$346
Unclassified*	29	\$4	\$151
Other**	20,874	\$2,670	\$128
Total Residents:	179,305	\$136,157	\$759
Part Year Residents:	2,597	\$504	\$194
Non-Residents:	19,904	\$2,435	\$122
Grand Total:	201,806	\$139,096	\$689

* Place of residence cannot be determined from return.

** Includes returns with out-of-state addresses.

Appendix - Form IT-216



Important Notice

February 2008

**Important Notice for Individuals Who Received Dependent Care Benefits
and are Filing 2007 Form IT-216**

There is an error on line 5 of Form IT-216, *Claim for Child and Dependent Care Credit*. The error concerns individuals who received dependent care benefits and were required to complete Part III of federal Form 2441 or Part III of federal Form 1040A, Schedule 2.

Line 5 of Form IT-216 should read as follows:

5 Enter the **smallest** of:

- line 3a above; **or**
- federal Form 2441, line 3; federal Form 1040A, Schedule 2, line 3; **or**
- \$3,000 if one qualifying person; \$6,000 if two or more qualifying persons.

Form IT-216 (2007) begins below.

Claim for Child and Dependent Care Credit

New York State • New York City

Attach this form to Form IT-150, IT-201, or IT-203.



IT-216

Print or type	Important: You must enter your social security number(s) in the boxes to the right.		
	Your first name and middle initial	Your last name <i>(for a joint claim, enter spouse's name on line below)</i>	▼ Your social security number <input style="width: 90%;" type="text"/>
	Spouse's first name and middle initial	Spouse's last name	▼ Spouse's social security number <input style="width: 90%;" type="text"/>
	Mailing address <i>(number and street or rural route)</i>		Apartment number
	City, village, or post office		State
		ZIP code	New York State county of residence <input style="width: 90%;" type="text"/>

1 Have you already filed your 2007 New York State income tax return?..... Yes No
 If Yes, you must file an amended New York State return and attach a copy of this claim.

2 Persons or organizations who provided the care. *(If you have more than two providers, see instructions.)*

A – Care provider's first name, middle initial, and last name	B – Address	C – Identifying number (SSN or EIN)	D – Amount paid (see instructions)
		• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/> . <input style="width: 20%;" type="text"/>
		• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/> . <input style="width: 20%;" type="text"/>

3 Qualifying persons you are claiming. **List in order from youngest to oldest.**
(If you are claiming more than four qualifying persons, mark an X in the box and see instructions.)

A – First name and middle initial	B – Last name	C – Qualified expenses paid in 2007	D – Person with disability (see instr.)	E – Social security number	F – Year of birth
			• <input type="checkbox"/>	• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/>
			• <input type="checkbox"/>	• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/>
			• <input type="checkbox"/>	• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/>
			• <input type="checkbox"/>	• <input style="width: 80%;" type="text"/>	• <input style="width: 80%;" type="text"/>

3a Total of line 3, column C amounts. Include amounts from additional sheet(s), if any **3a.** .

4 Can you claim an exemption for all the qualified persons listed on line 3 and any additional sheet(s)?..... Yes No

Note: On line 5, if you are claiming expenses paid for a dependent child born in 1994, enter that child's birth month here.
 Include as qualified expenses only those paid from January 1, 2007, through the day preceding the child's 13th birthday.

5 Enter the lesser of:
 • **qualified expenses** from line 3a, or
 • \$3,000 if one qualifying person; \$6,000 if two or more qualifying persons **5.** .

6 Enter your earned income *(see instructions)* **6.** .

7 If your filing status is ② *Married filing joint return*, enter your spouse's earned income; all others, enter the amount from line 6 *(see instructions)* **7.** .

8 Enter the smallest of line 5, 6, or 7 **8.** .

9 Enter the amount from: federal Form 1040A, line 22, or federal Form 1040, line 38 **9.** .

10 Enter the decimal amount that applies to the amount on line 9 from *Table for line 10* in the instructions **10.** .

11 Multiply line 8 by the decimal amount on line 10 *(enter here and on line 12 on the back)* **11.** .

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Please file this original scannable credit form with the Tax Department.

Dollars Cents

- 12 Amount from line 11 **12.** .
- 13 Enter below your New York adjusted gross income (Form IT-150 filers, line 21;
Form IT-201 filers, line 33; Form IT-203 filers, line 32)
New York adjusted gross income .
Use the *New York State child and dependent care credit limitation table* in the instructions to determine the decimal to be entered on this line **13.** .
- 14 Multiply line 12 by the decimal amount on line 13. This is your **New York State** child and dependent care credit (*see instructions*) **14.** .

Part-year New York State residents

- 15 Enter the amount from Form IT-203, line 40 **15.** .
If line 15 is equal to or more than line 14, **stop. You do not have excess credit.**
If line 15 is less than line 14, **continue on line 16 below.**
- 16 Subtract line 15 from line 14. **This is your excess child and dependent care credit** **16.** .
- 17 Enter the amount from Form IT-203-ATT, line 29 (*If you are not required to file Form IT-203-ATT, leave blank and continue on line 18 below.*) **17.** .
If line 17 is equal to or more than line 16, **stop. Do not continue with this worksheet.**
Enter the line 16 amount on Form IT-203-ATT, line 30. If line 17 is less than line 16, enter the line 16 amount on Form IT-203-ATT, line 30, and continue on line 18 below.
- 18 Subtract line 17 from line 16. **This is your remaining excess child and dependent care credit** **18.** .
- 19 Enter the amount from line 18, Column D, of the *Part-year resident income allocation worksheet* in your Form IT-203 instruction booklet **19.** .
- 20 Enter the amount from line 18, Column A, of the *Part-year resident income allocation worksheet* in your Form IT-203 instruction booklet **20.** .
- 21 Divide line 19 by line 20 (*round the result to the fourth decimal place*). This amount cannot exceed 100% (1.0000) ... **21.** .
- 22 Multiply line 18 by line 21. Enter the result here and on Form IT-203-ATT, line 9. **This is the refundable portion of your New York State part-year resident child and dependent care credit.** **22.** .

New York City child and dependent care credit

If you were a resident of New York City at any time during 2007 and your federal adjusted gross income (on Form IT-150, line 11; IT-201, line 19; or IT-203, line 19, *Federal amount column*) is \$30,000 or less and you listed a child under 4 years old as of December 31, 2007 on line 3, complete line 23 and see page 4 of the instructions.

- 23 Enter the portion of the total expenses from line 3a that was paid for children under 4 years old **23.** .
IT-150 and IT-201 filers:
- 24 Refundable New York City child and dependent care credit (*from Worksheet 1, line 7 or line 13*) **24.** .
- 25 Add lines 14 and 24 **25.** .
IT-150 filers: Enter the line 25 amount on Form IT-150, line 39
IT-201 filers: Enter the line 25 amount on Form IT-201, line 64
- 26 Part-year New York City resident nonrefundable New York City child and dependent care credit (*from Worksheet 1, line 8*) **26.** .
IT-201 filers: Enter the line 26 amount on Form IT-201-ATT, line 9a
IT-203 filers:
- 27 Nonrefundable portion of your part-year New York City resident New York City child and dependent care credit (*from Worksheet 1, line 8*); also enter this amount on Form IT-203, line 52b **27.** .
- 28 Refundable portion of your part-year New York City resident New York City child and dependent care credit (*from Worksheet 1, line 13*); also enter this amount on Form IT-203-ATT, line 9a **28.** .
- Part-year New York City resident filers only:**
- 29 Enter the amount from Worksheet 1, line 10 **29.** .
- 30 Enter the amount from Worksheet 1, line 11 **30.** .

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Please file this original scannable credit form with the Tax Department.

For more information concerning the data provided in this publication, please contact:

New York State Department of Taxation and Finance
Office of Tax Policy Analysis
W.A. Harriman State Campus Office
Albany, New York 12227
Phone (518-457-3187)