

NEWS FROM YOUR PEER LIAISON



JANET RORHOLM

IFAPA Peer Liaison

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I UNDERSTAND...

I AM A FOSTER PARENT TOO

IFAPA recognizes that foster parents often need the perspective of peers during the foster parenting and adoption experience.

I can provide support and assist you with questions regarding:

- Licensing requirements
- Training needs
- Respite care
- Behavior challenges
- Working with birth families
- Confidentiality issues
- And much more!

The year is flying by and suddenly it is November. This month we celebrate National Adoption Month. So many of you have adopted children and many more are hoping to or may be adopting soon. Please join us in celebrating these momentous occasions this Friday. We will gather at 5:30 p.m. at Four Oaks Bridge, 2100 First Ave. NE, Cedar Rapids, for a candlelight vigil. Afterwards we will have soup and salad and there will be an open mike to share adoption stories. Photographers will be there to take pictures of foster and adoptive families for free. If you can join us, please RSVP by Nov. 6 to Lana Kelsey with Iowa KidsNet at (319) 364-0259 or lkelsey@fouroaks.org. I will be there with my three adopted children. So please stop and say hello so I can put a face with a name. So often I only talk to you in an email or the phone.

Also, with the holidays coming up, please plan ahead and contact your Iowa KidsNet worker if you need respite during this time because it is often hard this time of the year.

Please note that my email has changed to jrorholm@ifapa.org. And if you'd like to join me and more than 70 other foster and adoptive families from the Corridor on our "secret" Facebook page, send me an email and I will send you an invite. It is a great way to connect with other families in the area.

Janet

Tax Breaks for Adoptions Info from NSA

Alexandria, VA – Taxpayers who adopt a child do more than open their hearts – they also open their opportunities to take advantage of tax credits.

“November is National Adoption Month, so we want to highlight tax provisions that provide significant tax credits for adoptive parents,” says John Ams, executive vice president of the National Society of Accountants (NSA).

NSA reports that for 2014 adoptions (typically to be claimed in early 2015) the federal credit maxes out at \$13,190 per child. This year's credit begins to phase out for families with annual modified adjusted gross incomes (MAGIs) above \$197,880 and vanishes for those with MAGIs around \$237,880. For purposes of the tax credit, there is no limitation on the number of children you can adopt.

Families who finalize the adoption of a child with special needs in 2014 can claim the full credit of \$13,190 on the line that asks for expenses, whether or not they had any expenses.

The Internal Revenue Service (IRS) allows adoptive parents under certain circumstances to exclude from their federal adjusted gross income certain cash or other adoption benefits from their private-sector employers to cover qualifying adoption expenses. (See IRS adoption guidelines at www.irs.gov/taxtopics/tc607.html.)

Calculations and filing

NSA notes that the amount of the adoption tax credit you receive depends on your federal income tax liability in 2014 (and the next five years). In one year, you can use as much of the credit as the full amount of your federal income tax liability.

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You have 6 years (the year you first claim the credit plus 5 additional years) to use the credit.

Claim the expenses with IRS Form 8839, "Qualified Adoption Expenses." See a 2013 copy at www.irs.gov/pub/irs-pdf/f8839.pdf. Get the newest form (when available) at an IRS office or at 1-(800) 829-3676.

Conditions

An eligible child must be under 18 years old, or be physically or mentally incapable of caring for himself or herself.

The credit is for all adoptions other than step-parent adoptions. These credits are also non-refundable as of now, meaning you receive a refund of federal income taxes only up to the amount of taxes you otherwise had due. Adoption lobbyists are working to make the credit refundable, meaning you could receive one regardless of your tax liability.

According to the IRS, qualified adoption expenses for both the credit and the exclusion include reasonable and necessary adoption fees, court costs, attorney fees, traveling expenses (including amounts spent for meals and lodging while away from home) and other expenses directly related to legal adoption of an eligible child.

You calculate qualified expenses by adding up all the expenses related to the adoption then subtracting any amounts reimbursed or paid for by your employer, government agency or other organization.

You may not claim a credit for the costs of a surrogate parenting arrangement or for adopting your spouse's child.

For expenses paid before the adoption is final, you take the adoption credit in the year after your expenses were paid. For expenses paid in the same year that the adoption is final, you take the adoption credit in the same year. For expenses paid in the year after the adoption is final, you take the adoption credit in the year the expenses were paid.

If you attempt to adopt a U.S. child, you may be able to claim the credit even if the adoption does not become final. If you adopt a U.S. child with special needs, you may qualify for the full amount of the adoption credit even if you paid few or no adoption-related expenses if the adoption is final.

Definitions and additional requirements

A child is a "U.S. child" if a citizen or resident of the United States (including U.S. possessions) at the time the adoption attempt began.

"Special needs" means hard to place, not necessarily a disability or medical condition. Often these children are older, waiting to be adopted with their brothers or sisters, or have a disability. Other qualifications for this category include that a state (including the District of Columbia) has determined that the child cannot or should not return to the birth parents' home and that the child will not be adopted unless assistance is provided to the adoptive parents.

The status you use to file your tax return influences your adoption credit. Generally, if you are married, you must file a joint return to claim the adoption credit or exclusion. If you file as head of household, you are eligible to claim the adoption credit or the exclusion.

If you adopted a child or are considering adoption and need tax help, you can find a qualified tax preparer in your area on the NSA website at www.nsacct.org. Click on "Find a Professional" or call 800-966-6679.

Note: For more adoption resources: visit
http://www.ifapa.org/resources/adoption_resources.asp

Training Corner

IFAPA Training, 9 a.m. to 12:15 p.m. Nov. 8, Cedar Rapids. Topic: "Caring for Children with HIV" 3 credit hours. Register: www.ifapa.org or 1-(800) 277-8145

IFAPA Training, 1:30 to 4:45 p.m. Nov. 8, Cedar Rapids. Topic: "Mandatory Child Abuse Reporter Training" 3 credit hours. Register: www.ifapa.org or 1-(800) 277-8145

IFAPA Training, 9 a.m. to 12:15 p.m. Nov. 15, Cedar Rapids. Topic: "Cultivating Spirituality in Your Foster Youth" 3 credit hours. Register: www.ifapa.org or 1-(800) 277-8145

IFAPA Training, 1:15 to 5:30 p.m. Nov. 15, Cedar Rapids. Topic: "CPR & First Aid" 4 credit hours. (Avoid late fees, pay by Oct. 31) Register: www.ifapa.org or 1-(800) 277-8145

Total Training (Cedar Rapids Support Group), 6:30 to 8:30 p.m., Nov. 20 at Four Oaks Bridge, 2100 First Ave. NE, Cedar Rapids. Topic: Marc Baty, Cedar Rapids service area manager, Iowa Department of Human Resources), 2 credit hours. RSVP for child care at jrorholm@ifapa.org or Kris Millsap at kmillsap@fouroaks.org by the prior Tuesday noting ages of children.

Note: IFAPA will not be offering trainings during December, so plan accordingly to meet training needs.