

Availability of Publication 968, Tax Benefits for Adoption

Announcement 97-47

New Publication 968 will be available in May, 1997. The publication explains the new tax credit for expenses connected with the adoption of a child. The credit can be as much as \$5,000 (\$6,000 for a child with special needs). The publication also covers the exclusion from income for employer-provided adoption benefits. The exclusion can be as much as \$5,000 (\$6,000 for a child with special needs). Taxpayers may be able to claim both the credit and the exclusion if the total amount of adoption expenses are more than the amount provided by the employer.

Adoption tax benefits are effective for tax years beginning in 1997. New Form 8839 is being developed for taxpayers to figure the credit and exclusion. The form will be available in January, 1998 for taxpayers to file with their 1997 tax return.

You can get a copy of this publication by calling 1-800-829-3676. Or you can write to the IRS Forms Distribution Center nearest you. Check your income tax package for the address. Local adoption agencies also may have a copy. The publication is also available on the IRS Internet Web Site at www.irs.ustreas.gov.