

Qualified Adoption Expenses

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040 or 1040NR.**
▶ **See separate instructions.**

2010
Attachment
Sequence No. **38**

Name(s) shown on return

Your social security number

Part I Information About Your Eligible Child or Children—You must complete this part. See instructions for details, including what to do if you need more space.

1	(a) Child's name First Last		(b) Child's year of birth	Check if child was—			(f) Child's identifying number	(g) Check if adoption became final in 2010 or earlier
				(c) born before 1993 and disabled	(d) a child with special needs	(e) a foreign child		
Child 1				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 2				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Child 3				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>

Caution. If the child was a foreign child, see **Special rules** in the instructions for line 1, column (e) before you complete Part II or Part III. If you received **employer-provided adoption benefits**, complete Part III on the back next.

Part II Adoption Credit

	Child 1	Child 2	Child 3	
2 Maximum adoption credit per child	2			
3 Did you file Form 8839 for a prior year for the same child? <input type="checkbox"/> No. Enter -0-. <input type="checkbox"/> Yes. See instructions for the amount to enter. } 3				
4 Subtract line 3 from line 2	4			
5 Qualified adoption expenses (see instructions)	5			
Caution. Your qualified adoption expenses may not be equal to the adoption expenses you paid in 2010.				
6 Enter the smaller of line 4 or line 5	6			
7 Add the amounts on line 6. If zero, skip lines 8 through 11 and enter -0- on line 12				7
8 Enter modified adjusted gross income (see instructions)		8		
9 Is line 8 more than \$182,520? <input type="checkbox"/> No. Skip lines 9 and 10, and enter -0- on line 11. <input type="checkbox"/> Yes. Subtract \$182,520 from line 8			9	
10 Divide line 9 by \$40,000. Enter the result as a decimal (rounded to at least three places). Do not enter more than 1.000				10
11 Multiply line 7 by line 10				11
12 Subtract line 11 from line 7				12
13 Credit carryforward from prior years (line 23 of your Credit Carryforward Worksheet on page 5 of the 2009 Form 8839 instructions)				13
14 Add lines 12 and 13. This your Adoption Credit. Include this amount on Form 1040, line 71, or Form 1040NR, line 66. Check box b on that line				14

For Paperwork Reduction Act Notice, see your tax return instructions.

Part III Employer-Provided Adoption Benefits

		Child 1		Child 2		Child 3				
15	Maximum exclusion per child	15								
16	Did you receive employer-provided adoption benefits for a prior year for the same child? <input type="checkbox"/> No. Enter -0-. <input type="checkbox"/> Yes. See instructions for the amount to enter.	16								
17	Subtract line 16 from line 15	17								
18	Employer-provided adoption benefits you received in 2010. This amount should be shown in box 12 of your 2010 Form(s) W-2 with code T	18								
19	Add the amounts on line 18								19	
20	Enter the smaller of line 17 or line 18. But if the child was a child with special needs and the adoption became final in 2010, enter the amount from line 17	20								
21	Add the amounts on line 20. If zero, skip lines 22 through 25, enter -0- on line 26, and go to line 27					21				
22	Enter modified adjusted gross income (from the worksheet in the instructions)	22								
23	Is line 22 more than \$182,520? <input type="checkbox"/> No. Skip lines 23 and 24, and enter -0- on line 25. <input type="checkbox"/> Yes. Subtract \$182,520 from line 22	23								
24	Divide line 23 by \$40,000. Enter the result as a decimal (rounded to at least three places). Do not enter more than 1.000					24	x			
25	Multiply line 21 by line 24					25				
26	Excluded benefits. Subtract line 25 from line 21								26	
27	Taxable benefits. Is line 26 more than line 19? <input type="checkbox"/> No. Subtract line 26 from line 19. Also, include this amount, if more than zero, on line 7 of Form 1040 or line 8 of Form 1040NR. On the dotted line next to line 7 of Form 1040 or line 8 of Form 1040NR, enter "AB." <input type="checkbox"/> Yes. Subtract line 19 from line 26. Enter the result as a negative number. Reduce the total you would enter on line 7 of Form 1040 or line 8 of Form 1040NR by the amount on Form 8839, line 27. Enter the result on line 7 of Form 1040 or line 8 of Form 1040NR. Enter "SNE" on the dotted line next to the entry line.								27	

You may be able to claim the adoption credit in Part II on the front of this form if any of the following apply.



- You paid adoption expenses in 2009, those expenses were not fully reimbursed by your employer or otherwise, and the adoption was not final by the end of 2009.
- The total adoption expenses you paid in 2010 were not fully reimbursed by your employer or otherwise, and the adoption became final in 2010 or earlier.
- You adopted a child with special needs and the adoption became final in 2010.