

## Health Care Reform Law Expands Adoption Tax Credit

Public Law 111-148, the **Patient Protection and Affordable Care Act**, was signed into law on March 23, 2010. Section 10909 of the Act extended the adoption tax credit for one more year (to December 31, 2011) and expanded the program in two ways:

- For tax year 2010, the amount of the credit was increased from \$12,170 to \$13,170.
- The credit was made refundable for all types of adoption for tax years 2010 and 2011.

Because the adoption tax credit will be refundable, families who have smaller tax liability will now be able to benefit from the credit for adoptions finalized in 2010 and 2011.

The IRS has not yet released any guidance on the change. NACAC will update its tax credit fact sheet later this spring.

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