IRS Credit Limit Worksheet

Tax Year: 2024

Taxpayer Name: John Doe

Social Security Number (SSN): 123-45-6789

Part 1: Tax Liability Calculation ↓

Step	Description	Amount ($)
1	Enter the total tax liability from Form 1040, Line 16.	$5,800
2	Enter other taxes (e.g., self-employment tax, additional Medicare tax) from Schedule 2, Line 3.	$1,200
3	Add lines 1 and 2. This is your total tax before credits.	$7,000

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Part 2: Nonrefundable Tax Credits

Step	Credit Type	Amount ($)
4	Child Tax Credit (CTC)	$2,000
5	Credit for Other Dependents	$500
6	Education Credit (American Opportunity or Lifetime Learning Credit)	$1,200
7	Retirement Savings Contributions Credit	$400
8	Foreign Tax Credit	$600
9	Adoption Credit	$1,000
10	Total Nonrefundable Credits (Sum of lines 4 th ↓ h 9).	$5,700
11	Subtract line 10 from line 3. If zero or less, enter 0.	$1,300

Part 3: Refundable Tax Credits

Step	Credit Type	Amount ($)
12	Earned Income Tax Credit (EITC)	$2,500
13	Additional Child Tax Credit (ACTC)	$1,500
14	American Opportunity Credit (Refundable Po ↓)	$1,000
15	Net Premium Tax Credit	$600
16	Recovery Rebate Credit	$700
17	Total Refundable Credits (Sum of lines 12 through 16).	$6,300

Part 4: Final Credit Calculation

Step	Description	Amount ($)
18	Enter the lesser of Line 10 or Line 11 (Maximum ↓ efundable credits applied).	$5,700
19	Add lines 11 and 17 (Total Tax Owed after nonrefundable credits + Refundable credits).	$7,600
20	Total payments and withholding from Form 1040, Line 25.	$6,500
21	If line 20 is greater than line 19, enter the refund amount. If less, enter amount due.	Refund: $1,100