

# Tax Return Credit Limit Worksheet

## Step 1: Determine Your Total Tax Liability

1. Enter the total tax amount from Form 1040, 1040-SR, or 1040-NR, line 18.

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2. Enter the total of any refundable credits (such as Earned Income Credit, Additional Child Tax Credit, American Opportunity Credit, and Premium Tax Credit) from Schedule 3, line 9.

➔ \$\_\_\_\_\_

3. Subtract line 2 from line 1. If zero or less, enter 0.

➔ \$\_\_\_\_\_

## Step 2: Compute Your Nonrefundable Credits

4. Enter the total of all nonrefundable credits from Form 1040, Schedule 3, lines 1-8 (such as the Foreign Tax Credit, Education Credits, Child and Dependent Care Credit, Retirement Savings Contribution Credit, etc.).

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5. Enter the total of your energy-efficient home credits from Form 5695, if applicable.

➔ \$\_\_\_\_\_

6. Enter any business tax credits from Form 3800 (General Business Credit) or other applicable forms.

➔ \$\_\_\_\_\_

7. Add lines 4, 5, and 6. This is your total nonrefundable tax credits.

➔ \$\_\_\_\_\_

8. Subtract line 7 from line 3. If zero or less, enter 0.

➔ \$\_\_\_\_\_

## Step 3: Compute Your Refundable Credits and Final Tax Liability

9. Enter the total of any refundable credits from Schedule 3, lines 10-15 (such as Additional Child Tax Credit, Earned Income Credit, and Recovery Rebate Credit).

➔ \$\_\_\_\_\_

10. Subtract line 9 from line 8. If zero or less, enter 0.

➔ \$\_\_\_\_\_

11. If the amount on line 10 is greater than zero, this is the amount you owe in taxes. If zero, you do not owe any additional taxes.

➔ \$\_\_\_\_\_

12. If line 10 is negative, this is the amount of your refund (you may be eligible for an additional refund depending on refundable credits).

➔ \$\_\_\_\_\_