

# 2024 Schedule WI-2441 Instructions

## Additional Child and Dependent Care Credit

### Purpose of Schedule WI-2441

Schedule WI-2441 is used to compute the additional child and dependent care credit allowed by Wisconsin. The amount of credit allowed is reported on line 14 of Form 1 or line 41 of Form 1NPR. Schedule WI-2441 is used when computing Wisconsin's credit for taxable years beginning on or after January 1, 2024.

### Who May Qualify for the Credit

You must be a full-year resident of Wisconsin in order to claim this credit. If you moved to Wisconsin after January 1, 2024, or moved out of Wisconsin before January 1, 2025, you may not claim this credit. If you are married and filing a joint return on Form 1NPR, you may qualify for this credit so long as one of the spouses was a full-year resident of Wisconsin for 2024.

Assuming the residency requirement is met, you may be eligible to claim this credit for 2024 if all of the following apply.

1. Your filing status is single, head of household, or married filing jointly. If you are married and filing a separate return, you may be eligible if you meet the requirements to file as head of household, married for Wisconsin.
2. The care was provided so you (and your spouse if filing jointly) could work or look for work. However, if you (or your spouse) didn't find a job and you (or your spouse) have no earned income for the year, you can't take the credit. **Exception:** If you or your spouse was a student or disabled, see the instructions for lines 7 and 8, later.
3. The care must be for one or more qualifying persons.
4. The person who provided the care wasn't your spouse, the parent of your qualifying child, or a person whom you can claim as a dependent.
5. You report the required information about the care provider on line 1 and the information about the qualifying person on line 2.

### General Instructions

This credit is largely based on the federal child and dependent care credit reported on federal Form 2441. The only differences between the federal credit and Wisconsin's credit are the maximum amount of qualified expenses permitted to compute the credit and how dependent care assistance benefits are handled. Therefore, if you are ineligible to claim the federal credit, you generally are not eligible to claim the additional child and dependent care credit.

Due to the similarity of the federal and Wisconsin credits and their schedules, these instructions will at times reference the federal [Form 2441 instructions](#). Internal Revenue Service (IRS) [Publication 503](#), Child and Dependent Care Expenses, is also a useful resource. It is recommended you have these resources available when completing Schedule WI-2441.

### Definitions

*Dependent Care Benefits* – These benefits may include:

- Amounts your employer paid directly to either you or your care provider for the care of your qualifying person(s) while you worked,
- The fair market value of care in a daycare facility provided or sponsored by your employer, and
- Pre-tax contributions you made under a dependent care FSA

Your salary may have been reduced to pay for these benefits. If you received dependent care benefits as an employee, they should be shown in box 10 of your Form W-2. Benefits you received as a partner should be shown in box 13 of your Schedule K-1 (Form 1065) with code O.

*Qualifying Person(s)* – A qualifying person is any of the following.

1. A qualifying child under age 13 whom you can claim as a dependent. If the child turned 13 during the year, the child is a qualifying person for the part of the year they were under age 13.
2. Your disabled spouse who wasn't physically or mentally able to care for themselves and lived with you for more than half the year.
3. A disabled person who wasn't physically or mentally able to care for themselves who lived with you for more than half the year and whom you can claim as a dependent or could claim as a dependent except:
  - a. The disabled person had gross income exceeding the annual limitation (\$5,050 for 2024)
  - b. The disabled person filed a joint return, or
  - c. You (or your spouse if filing jointly) could be claimed as a dependent on another taxpayer's 2024 return

If you are divorced or separated, see '*Special rule for children of divorced or separated parents or parents who live apart*' in the Form 2441 instructions.

**Note:** Generally, a person must have lived with you for more than half of 2024 to be a qualifying person.

**Caution:** An individual can only be treated as a qualifying person by one taxpayer for 2024. If an individual meets the requirements to be a qualifying person for more than one taxpayer, the taxpayer that they resided with the most nights during 2024 has the right to claim them as a qualifying person. If the individual resided with two or more taxpayers for the same number of nights during 2024, the taxpayer with the highest federal adjusted gross income has the right to claim the qualifying person.

**Physically or mentally not able to care for oneself** – Persons who can't dress, clean, or feed themselves because of physical or mental disabilities are considered not able to care for themselves. Also, persons who must have constant attention to prevent them from injuring themselves or others are considered not able to care for themselves. **Note:** This is not the same qualification for someone to be considered disabled for the earned income credit.

**Qualified Expenses** – These include amounts paid for household services and care of the qualifying person while you worked or looked for work. Your work can be for others or in your own business and it can be either in or out of your home. Child support payments aren't qualified expenses. Also, expenses reimbursed by a state social service agency or dependent care benefits that were excluded from your taxable income or deducted on your return are not qualified expenses.

Generally, if you worked or actively looked for work during only part of the period in which you incurred the expenses, you must figure your expenses for each day. However, there are special rules for temporary absences or part-time work. Also, if part of an expense is work related (for either household services or the care of a qualifying person) and part is for other purposes, you have to divide the expense. However, you don't have to divide the expense if only a small part is for other purposes. See the Form 2441 instructions and Publication 503 for more information.

**Note:** Some disabled spouse and dependent care expenses can qualify as medical expenses if you itemize deductions. However, you can't claim the same expense as both a dependent care expense and a medical expense. If you treat an expense as a medical expense for computing Wisconsin's itemized deduction credit, you cannot treat the same expense as a qualified expense for this credit, and vice versa.

## Line Instructions

**Line A** If your filing status is married filing separately and you meet the requirements to claim the additional child and dependent care credit, you must check the box on line A. By checking the box, you are confirming that you meet the requirements. See *'Married Persons Filing Separately'* in the Form 2441 instructions. If you meet the requirements, generally, it is to your benefit to use the filing status head of household, married for Wisconsin instead of married filing separately.

**Line B** Check this box if you or your spouse was a student or was disabled during the year and you're entering deemed income of \$250 or \$500 a month on line 7 or 8 of Schedule WI-2441. See *'If You or Your Spouse Was a Student or Disabled'* in the Form 2441 instructions for the rules related to this election.

### Line 1

Complete columns (a) through (e) for each person or organization that provided the care. You can use federal Form W-10, Dependent Care Provider's Identification and Certification, or any other source listed in its instructions to get the information from the care provider. If you don't give correct or complete information, your credit may be disallowed unless you can show you used due diligence in trying to get the required information.

If you have more than three care providers, check the box above line 1 and attach a statement to your return with the required information. In this situation, all lines on line 1 of Schedule WI-2441 must be completed with the information for the three highest paid providers.

**Due Diligence:** You can show a serious and earnest effort (due diligence) by getting and keeping the provider's completed federal Form W-10 or one of the other sources of information listed in its instructions. If the provider doesn't give you the information, complete the entries you can on line 1. For example, enter the provider's name and address. Enter "Attachment" in the columns for which you don't have the information. Then, attach a statement to your return explaining that the provider didn't give you the information requested.

**Caution:** Don't list an ineligible related individual as a care provider on line 1. No credit is allowed for any amount paid to your spouse, the parent of your qualifying child, or a person whom you can claim as a dependent. If your child (including stepchild or foster child) provided the care, they must have been age 19 or older by the end of the year, and they can't be your dependent.

**Columns (a), (b), (c), and (e)** See the 2024 federal Form 2441 instructions for details. Enter the same information in the columns for Schedule WI-2441 as is required for the Form 2441.

**Column (d)** Enter the code corresponding with the description below that best matches the care provider.

**A** – A childcare or adult day care provider with no relationship to you or your employer

**B** – Childcare or adult day care provided by your employer or sponsored by them

**C** – A relative or close acquaintance

**D** – An unrelated household employee

**E** – Other

If 'Other', attach a statement to your return with an explanation of the type of care provider and any relation they had to you.

## Line 2

Complete columns (a) through (d) for each qualifying person. If you have more than three qualifying persons, check the box on line 2 and attach a statement to your return with the required information. In this situation, all the lines on line 2 of Schedule WI-2441 must be completed with the information for the three people with the highest qualifying expenses.

**Caution:** Do not list a person on line 2 unless they are your qualifying person as defined earlier in these instructions.

**Columns (a) and (b)** Enter the name and social security number (SSN) of the qualifying person(s). You must enter the qualifying person's SSN. Be sure the name and SSN entered agree with the person's social security card. If the child was born and died in 2024 and didn't have an SSN, enter "Died" in column (b) and attach a copy of the child's birth certificate, death certificate, or hospital medical records. If the qualifying person has an individual taxpayer identification number (ITIN) or adoption taxpayer identification number (ATIN), see *Taxpayer identification number* in IRS Publication 503.

**Column (c)** Enter the letter corresponding with the description below that best matches that qualifying person.

If the qualifying person is your spouse or claimed as a dependent on your income tax return:

- A** – The person was under 13 years of age during the time the care was provided
- B** – The person was 13 years or older during the year and physically or mentally unable to care for themselves
- C** – The person is your spouse who wasn't physically or mentally able to care for themselves and lived with you for more than half the year

If the qualifying person is NOT claimed as a dependent on your income tax return:

- D** – You are their custodial parent and the person was under 13 years of age during the time the care was provided
- E** – You are their custodial parent and the person was physically or mentally unable to care for themselves
- F** – The person is physically or mentally unable to care for themselves and you are unable to claim them as a dependent because of their gross income, they filed a joint return, or you or your spouse could be claimed as a dependent on someone else's 2024 return

**Column (d)** Enter the qualified expenses you incurred and paid in 2024 for the person listed in column (a). Include any expenses paid using nontaxable benefits or deducted as a business expense that are reported in Part III of federal Form 2441. (Note: This is different from the instructions for federal Form 2441. These amounts will be removed on line 4.) Do not include in column (d) the following qualified expenses.

- Expenses you incurred in 2023 but didn't pay until 2024. Instead, see the instructions for line 13, later.
- Expenses you incurred in 2024 but didn't pay until 2025. You may be able to use these expenses to increase your 2025 credit.
- Expenses you prepaid in 2024 for care to be provided in 2025. These expenses can only be used to figure your 2025 credit.

To qualify for the credit, you must have one or more qualifying persons. You should enter the expenses for each qualifying person in column (d) of line 2. The maximum amount of qualified expenses for computing the credit is \$20,000 if you have two or more qualifying persons. This applies even if you only incurred and paid expenses for just one of them. If you have a second qualifying person, be sure to enter them on line 2 even if you did not have any qualified expenses for them for 2024.

**Note** You are not required to send in documentation of your dependent care expense, such as an annual statement from your day care provider. However, including copies with your Wisconsin return may speed up the processing of your return if it is selected for review.

## Line 4

Enter the sum of lines 24 and 25 from Part III of your 2024 federal Form 2441. If you did not have any dependent care benefits for 2024, enter zero on this line.

## Lines 7 and 8

Refer to *Lines 4 and 5* and *If You or Your Spouse Was a Student or Disabled* in the 2024 federal Form 2441 instructions (page 4). The amounts to be entered on lines 4 and 5 of the Form 2441 should be entered on lines 7 and 8 of Schedule WI-2441. If line 7 or 8 is zero or less, stop. See line 13; otherwise, you do not qualify for the credit.

**Exception:** If your spouse died during 2024, you did not remarry before the end of the year, and you are filing a joint return as a surviving spouse, enter your earned income from line 7 on line 8, instead of the earned income from your deceased spouse.

## Line 13

If you had qualified expenses for 2023 that you didn't pay until 2024 and you didn't claim a credit on the maximum amount of qualified expenses for 2023, you may be able to increase the amount of the credit you can take in 2024. To figure the credit, complete Worksheet A at the end of these instructions. Enter on line 13 the amount from line 14 of Worksheet A. Include a copy of the completed Worksheet A with your Wisconsin return.

**Note:** You (or your spouse if filing a joint return for 2024) must have been a full-year resident of Wisconsin for 2023 to be eligible to claim credit for 2023 expenses paid in 2024. Additionally, the full-year resident of Wisconsin must have had the qualifying person if only one spouse was a full-year resident.

#### **Applicable Laws and Rules**

This document provides statements or interpretations of the following laws and regulations enacted as of October 2, 2024: ch. 71, Wis. Stats., and section 21, IRC.

**Worksheet A. Worksheet for 2023 Expenses Paid in 2024**

*Use this worksheet to figure the credit you may claim for 2023 expenses paid in 2024. Attach a copy of the worksheet to your 2024 Wisconsin return (Form 1 or 1NPR). If this worksheet is not attached to your return, any additional credit reported on line 13 of Schedule WI-2441 may be disallowed.*

1.	Enter the amount reported on your 2023 federal Form 2441, line 3 .....	1.	_____
2.	Enter your 2023 qualified expenses paid in 2024 .....	2.	_____
3.	Add the amounts on lines 1 and 2 .....	3.	_____
4.	Enter \$3,000 if you had one qualifying person (\$6,000 if you had two or more) .....	4.	_____
5.	Enter any dependent care benefits received for 2023 and deducted on your return and/or excluded from your income (from your 2023 Form 2441, lines 24 and 25) .....	5.	_____
6.	Subtract the amount on line 5 from the amount on line 4 and enter the result .....	6.	_____
7.	Compare your earned income for 2023 and your spouse's earned income for 2023 and enter the smaller amount.....	7.	_____
8.	Compare the amounts on lines 3, 6, and 7, and enter the smallest amount.....	8.	_____
9.	Enter the amount on which you figured the credit for 2023 (from your 2023 Form 2441, line 6) .....	9.	_____
10.	Subtract the amount on line 9 from the amount on line 8 and enter the result. If zero or less, stop here. You can't increase your 2024 credit by any previous year's expenses.....	10.	_____
11.	Enter your 2023 adjusted gross income (from your 2023 Form 1040 or 1040-SR, line 11) .....	11.	_____
12.	Find your 2023 adjusted gross income in the table on Form 2441 for line 8 and enter the corresponding decimal amount here .....	12.	_____
13.	Multiply line 10 by line 12. ....	13.	_____
14.	Multiply line 13 by 50% (.50) and enter the amount here and on Schedule WI-2441, line 13.....	14.	_____
15.	Name, address, and identifying number of persons or organizations who provided the care: _____		
16.	A. First and last name and taxpayer identification number of the qualifying person that received the care: _____		
	B. Check here if the qualifying person was over age 12 at the time the care was provided and was disabled. [ <input type="checkbox"/> ]		