



**Part III Dependent Care Benefits**

<b>14</b>	Enter the total amount of <b>dependent care benefits</b> you received in 2007. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. <b>Do not</b> include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership . . . . .				<b>14</b>
<b>15</b>	Enter the amount, if any, you carried over from 2006 and used in 2007 during the grace period. See instructions . . . . .				<b>15</b>
<b>16</b>	Enter the amount, if any, you forfeited or carried forward to 2008. See instructions . . . . .				<b>16</b> ( )
<b>17</b>	Combine lines 14 through 16. See instructions . . . . .				<b>17</b>
<b>18</b>	Enter the total amount of <b>qualified expenses</b> incurred in 2007 for the care of the <b>qualifying person(s)</b> . . . . .	<b>18</b>			
<b>19</b>	Enter the <b>smaller</b> of line 17 or 18 . . . . .	<b>19</b>			
<b>20</b>	Enter your <b>earned income</b> . See instructions . . . . .	<b>20</b>			
<b>21</b>	Enter the amount shown below that applies to you. <ul style="list-style-type: none"> <li>• If married filing jointly, enter your spouse's earned income (if your spouse was a student or was disabled, see the instructions for line 5).</li> <li>• If married filing separately, see the instructions for the amount to enter.</li> <li>• All others, enter the amount from line 20.</li> </ul>	<b>21</b>			
<b>22</b>	Enter the <b>smallest</b> of line 19, 20, or 21 . . . . .	<b>22</b>			
<b>23</b>	Enter the amount from line 14 that you received from your sole proprietorship or partnership. If you did not receive any such amounts, enter -0- . . . . .				<b>23</b>
<b>24</b>	Subtract line 23 from line 17 . . . . .	<b>24</b>			
<b>25</b>	Enter \$5,000 (\$2,500 if married filing separately <b>and</b> you were required to enter your spouse's earned income on line 21) . . . . .				<b>25</b>
<b>26</b>	<b>Deductible benefits.</b> Enter the <b>smallest</b> of line 22, 23, or 25. Also, include this amount on the appropriate line(s) of your return. See instructions . . . . .				<b>26</b>
<b>27</b>	Enter the <b>smaller</b> of line 22 or 25 . . . . .	<b>27</b>			
<b>28</b>	Enter the amount from line 26 . . . . .	<b>28</b>			
<b>29</b>	<b>Excluded benefits.</b> Subtract line 28 from line 27. If zero or less, enter -0- . . . . .				<b>29</b>
<b>30</b>	<b>Taxable benefits.</b> Subtract line 29 from line 24. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7, or Form 1040NR, line 8. On the dotted line next to Form 1040, line 7, or Form 1040NR, line 8, enter "DCB". . . . .				<b>30</b>

To claim the child and dependent care credit, complete lines 31–35 below.

<b>31</b>	Enter \$3,000 (\$6,000 if two or more qualifying persons) . . . . .	<b>31</b>		
<b>32</b>	Add lines 26 and 29 . . . . .	<b>32</b>		
<b>33</b>	Subtract line 32 from line 31. If zero or less, <b>stop</b> . You cannot take the credit. <b>Exception.</b> If you paid 2006 expenses in 2007, see the instructions for line 9 . . . . .	<b>33</b>		
<b>34</b>	Complete line 2 on the front of this form. <b>Do not</b> include in column (c) any benefits shown on line 32 above. Then, add the amounts in column (c) and enter the total here . . . . .	<b>34</b>		
<b>35</b>	Enter the <b>smaller</b> of line 33 or 34. Also, enter this amount on line 3 on the front of this form and complete lines 4–13 . . . . .	<b>35</b>		