

Potential Income Tax Liability - Civilian Sponsors	
Implementation Guidance for 2009 Tax Year	
The value of a full time space for the 2009 tax year is \$2,999 . Because families with one child will not exceed the \$5,000 exemption level, they will not be included in the 2009 reporting.	
Included in the 2009 Data Collection	NOT included in the 2009 Data Collection
Civilian sponsors with two or more children in the child development program full day for the entire year will be included in the data collection	Civilian sponsors with only one child in the child development program will not be included in the 2009 data collection
Civilian sponsors who utilize Family Child Care will be included in the data collection ONLY if the program is subsidized by the Service AND two or more children were in care full time for the year	Civilian sponsors who utilize ONLY school-age care (before and after school care and/or summer care) will not be included in the 2009 data collection.
ADDITIONAL GUIDANCE	
Families who are required to report data will complete the forms provided by the Third Party Administrator (TPA)	
Required data includes	
<ul style="list-style-type: none"> ● Name and social security number of parent/legal guardian with child in care <ul style="list-style-type: none"> ● Name, address, phone number of parent/legal guardian ● Name and birth date of each child enrolled in the program ● Additional information required by the TPA 	
The TPA will provide the families an IRS Form 1099-MISC detailing the additional income above the \$5,000 allowable exemption. Each individual family will be required to report the additional income on their 2009 Tax return.	
Implementation Guidance for 2010 Tax Year	
Data on the value of the child care space for tax purposes will be collected for all civilian sponsors	
The value of the child care space for tax purposes will be calculated by DoD and provided to each civilian sponsor at the beginning of the tax year.	
TPA will assume responsibility for collecting data on individual employee's subsidy amounts and provide the information to DFAS and NAF payroll systems.	

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