

ADOPTION ASSISTANCE PROGRAM STATEMENT OF ACKNOWLEDGEMENT

Adoption Assistance Program

Federal subsidies were created by Congress (through Public Law 96-272-the Adoption Assistance and Child Welfare Act of 1980) to encourage the adoption of special needs children and remove the financial disincentives for families to adopt. Recognizing that adoptive parents often experience financial difficulty meeting the special needs of children who formerly were placed in California's foster care system, the State Legislature created the Adoption Assistance Program (AAP.) In creating the program, the Legislature intended to benefit children in foster care by providing the security and stability of a permanent home through adoption. Children may receive a federally funded subsidy under Title IV-E or a state-funded subsidy per state guidelines.

To apply for the AAP, adoptive families must submit a completed Request for Adoption Assistance Program Benefit (AAP 1) form provided by their licensed adoption agency. The responsible public agency will determine the child's special needs eligibility for participation in the program. If the child is deemed eligible, the responsible public agency will negotiate a signed adoption assistance agreement, or a deferred adoption assistance agreement will be executed with the adoptive parents, prior to the adoption finalization. The amount of financial assistance is a negotiated rate based on the child's special needs and the circumstances of the family. An adopted child who receives AAP benefits from California may move anywhere in the world and still receive monthly subsidy payments until the age of 18 or in some cases until age 21.

Nonrecurring Adoption Expenses

Adoptive parents may be reimbursed for nonrecurring adoption expenses of up to \$400 per child pursuant to Welfare and Institutions Code (W&IC) Section 16120.1. To be eligible the adoptive child must meet the three part special needs determination and be a United States citizen or qualified alien pursuant to W&IC Section 16120 (a) through (c) and (l).

Notice of Federal and State Adoption Tax Benefits

Adoptive parents may qualify for a federal tax credit for the adoption of an eligible special needs child, under Section 23 of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 23) and a state tax credit for an adoptive child who was in the custody of a California public child welfare agency, under Section 17052.25 of the Revenue and Taxation Code.

- To request federal tax credit information and Form 8839, contact the Internal Revenue Service at www.irs.gov or 1 (800) 829-1040.
- To request state tax credit information (Credit for Child Adoption Costs-Tax Credit Code 197), contact the California Franchise Tax Board at www.ftb.ca.gov or call 1 (800) 852-5711.

My/Our signature(s) signify that I/we have read this Statement of Acknowledgement, discussed it with my/our Adoptions Social Worker, and understand the implications that it has for my/our adoption.

Prospective Adoptive Parent Signature:	Date:
Prospective Adoptive Parent Signature:	Date:
Adoptions Social Worker Signature:	Date: