

## Adoption Costs and Resources

Prospective adoptive parents may be concerned about the financial costs of adopting an infant or child and their ability to meet these costs. While becoming a parent is rarely free of expenses, adoptive parents often are faced with initial costs that can seem challenging. However, with planning and with knowledge about the different types of adoptions and available resources, they should be able to develop a budget that includes most of the foreseeable expenses.

### Universal Expenses

Universal expenses are incurred by everyone who adopts a child. In some cases, these costs may be offset by reimbursements or other resources

- **Home study expenses:** A home study must be completed for all prospective parents, no matter what type of adoption they intend to pursue. The cost for the home study is generally paid by the prospective parents. In the case of foster care adoption, these most often are completed by the local public agency or its contractors, and there may be no charge incurred by the adoptive parents. For other types of adoption, private agencies or certified social workers conduct the home study and may charge \$1,000 to \$3,000.
- **Legal fees:** All domestic adoptions and some intercountry adoptions must be finalized in a court in the United States. Some intercountry adoptions are finalized in the child's country of origin. Although not required in these situations, parents often choose to finalize the placement in a U.S. court to provide additional protection of their child's legal status. The cost for court document preparation can range from \$500 to \$2,000, while the cost for legal representation may range from \$2,500 to \$12,000 or more in some states. In some jurisdictions, an adoption can be finalized without representation by an attorney.

### Adoption-specific Expenses

In addition to the costs common to every adoption, adoptive parents generally incur costs specific to their type of adoption.

- **Foster care adoption costs:** \$0 to \$2,500. In foster care adoptions, fees often are kept to a minimum or even waived, so that final costs to parents are negligible. In some cases, the child may even be eligible for government subsidy payments (often called adoption assistance), Supplemental Security Income or Medicaid coverage.
- **Domestic infant adoption costs:** \$5,000 to \$40,000. These vary widely according to the type of agency used and, sometimes, the individual adoption circumstances. It is important for prospective parents to fully understand what is included in agency and attorney fees. Domestic infant adoptions fall into three general categories, each with its own attendant costs:
  - **Licensed private agency adoption costs:** \$5,000 to \$40,000. Costs for this type of adoption include a fee charged by the agency and may include the cost of the home study, birth parent counseling, adoptive parent preparation and training and social work services involved in matching a child to a prospective family. The fees charged by licensed agencies are generally predictable, and some even have sliding fee scales based on family income.

- **Independent adoption costs:** \$10,000 to \$15,000. Independent adoptions handled by an attorney generally result in costs that may include medical expenses for the birth mother (as allowed by law), as well as separate legal fees for representing adoptive and birth parents and any allowable fees for advertising. Additional medical expenses may be required in situations in which there are birth complications. Compared to licensed agency adoptions, the costs of independent adoptions may be less predictable. Also, costs may not be reimbursable in cases in which a birth mother changes her mind and chooses to parent her child.
- **Facilitated/unlicensed agency adoption costs:** \$5,000 to \$40,000. These costs are generally the same as the costs of licensed agencies. However, in States that allow adoptive placements by facilitators, these placements are largely unregulated. Prospective parents may have no recourse if the adoption does not proceed as expected.
- **Intercountry adoption costs:** \$15,000 to \$30,000. These fees generally include dossier and immigration processing and court costs. In some cases, they may include a required donation to the foreign orphanage or agency. Overall costs may be affected by the type of entity in the foreign country that is responsible for placing the child (e.g., government agency, government orphanage, charitable foundation, attorney or facilitator). Depending on the country, there may be additional fees, such as:
  - Child foster care (usually in South and Central American adoptions)
  - Parents' travel and in-country stay to process the adoption abroad
  - Escorting fees, charged when parents do not travel but instead hire escorts to accompany the child on the flight
  - Child's medical care and treatment (occasionally in South and Central America)
  - Translation fees
  - Foreign attorney fees
  - Foreign agency fees
  - Passport fees
  - Visa processing fees and costs of visa medical examination

## Resources to Help Defray Adoption Costs

In many cases, tax credits, subsidies, employer benefits, and loans or grants can help with adoption costs.

- **Tax credits:** Federal and State adoption tax credits may be available to defray some adoption costs. The amount may depend on family income and any other adoption benefits. Parents may want to check with a tax professional to determine applicable benefits.
- **Reimbursement for adoption costs:** After families have finalized the adoption of a child with special needs from the public child welfare system, they may be able to apply for reimbursement of expenses they paid related to the adoption, including home study fees, travel expenses to see the child and attorney fees. The full credit can be taken for domestic special needs adoption even when the qualifying expenses don't reach that limit. The credit is per child, not per year, so even if claimed expenses are paid out over more than one year for one adoption, the total credit amount remains the same.
- **Subsidies:** Federal and State adoption subsidies (or adoption assistance) may be available to help adoptive parents pay for the ongoing care of children with special physical, mental or emotional needs. Also, some children qualify for Supplemental Security Income (SSI) or Medicaid coverage.
- **Employer benefits:** Many employers provide a range of benefits for families who adopt, including paid or unpaid leave when a child arrives in the home, reimbursement of some portion of adoption expenses or assistance with adoption services.
- **Adoption loans and grants:** Adoptive parents may be eligible to receive a loan or grant to offset some of their adoption costs. Such programs may have specific requirements regarding the type of

adoption that is eligible, or they may give preference to families with the greatest financial need or with other specific characteristics. Many agencies also have adoption grant programs.

Contributed by the National Adoption Information Clearinghouse. For more information and resources about adoption, visit the Child Welfare Information Gateway: [www.childwelfare.gov/topics/adoption](http://www.childwelfare.gov/topics/adoption)

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