

Earned Income Credit (EIC) Information for Filing in 2005

	Federal	State
Eligibility	<ul style="list-style-type: none"> ▪ Workers with 1 child and earning less than \$30,338 (\$31,338 if married); ▪ Workers with 2 or more children and earning less than \$34,458 (\$35,458 if married) ▪ Childless workers (age 25-64) earning less than \$11,490 (\$12,490 if married) 	<ul style="list-style-type: none"> ▪ Working residents of Wisconsin with 1 child and earning less than \$30,338 (\$31,338 if married); ▪ Working residents of Wisconsin with 2 or more children and earning less than \$34,458 (\$35,458 if married); ▪ No state EIC for childless couples
Amounts	<ul style="list-style-type: none"> ▪ One child -- up to \$2,604 ▪ More than one child -- up to \$4,300 ▪ Childless workers -- up to \$390 	<ul style="list-style-type: none"> ▪ 1 child = up to \$104 ▪ 2 children = up to \$602 ▪ 3 or more children= up to \$1,849
Advance Payment Option	<ul style="list-style-type: none"> ▪ Complete W-5 forms and return to employer ▪ Receive portion of EIC as part of regular paycheck -- remainder at end of tax year ▪ Advance NOT available for workers without children 	No advance option
Features	<ul style="list-style-type: none"> ▪ It's a refundable tax credit ▪ Working families can get money back even if they owe NO income tax ▪ Must file tax return to receive 	<ul style="list-style-type: none"> ▪ Refundable credit ▪ Must file Wisconsin tax return to receive the state EIC, even if no taxes are owed.
Forms	<ul style="list-style-type: none"> ▪ Schedule EIC ▪ Form 1040 or 1040A not 1040EZ ▪ Married couples must file jointly ▪ Childless workers <u>can</u> use 1040EZ 	<ul style="list-style-type: none"> ▪ WI tax form 1 or 1A ▪ Need federal EIC amount from Schedule EIC
Free Help!	<ul style="list-style-type: none"> ▪ IRS: 1-800-TAX-1040 ▪ VITA: (Volunteer Income Tax Assistance) free at the: <div style="margin-left: 20px;"> Southfield Townhouses Neighborhood Network Learning Center 2516 South 21st Street, Manitowoc </div> <p>(Turn off of Viebahn on 21st Street at the "office entrance" sign. Go to the end of the street and turn left into the complex. Park in the visitors section near the "Learning Center" sign.)</p> <p>When: Every Saturday from February 5th to April 2nd, 2005 9:30 a.m. to 2:00 p.m.</p> <p>No reservations are needed. Bring tax information as explained on the back of this sheet. Plan to stay until the forms are completed. This service is sponsored by Silver Lake College and Southfield Townhouses.</p> <p>For information, including eligibility, benefits, procedures, VITA locations, and more; log on to: www.uwex.edu/ces/econ</p>	<ul style="list-style-type: none"> ▪ Regional Wisconsin Department of Revenue Office: Milwaukee State Office Building 819 N. 6th Street, Milwaukee, WI Milwaukee (414) 277-4000 Appleton (920) 832-2727 Eau Claire (715) 836-8211 <p>OR</p> <ul style="list-style-type: none"> ▪ Wisconsin Department of Revenue 4638 University Avenue Madison, WI 53702 (608) 266-2772 / (608) 266-2486 <p style="text-align: center;">www.uwex.edu/ces/econ</p>

What do I need to bring to my tax preparer or VITA site to file my taxes?

Tax forms and statements:

- Copy of last year's return, if any;
- W-2 forms from all 2004 jobs;
- All tax forms received in mail including 1099-G (unemployment), 1099-INT (bank interest), 1099-MISC (miscellaneous income), and W-2G (gambling winnings);
- Record of any estimated tax payments made for 2004;

Social Security Numbers

- Social Security numbers for all household members, including children (unless born after November 2004).
- For VITA sites with electronic filing: social security cards for all on tax return

Additional information for Homestead Credit:

- 2004 property tax bill (if homeowner)
- Completed rent certificate (if renter)
- Record of W-2 cash benefits received each month (if any)

Additional information for Child Dependent Care Credit:

- Name, address, and tax identification number of child care provider (Social Security number if private individual)
- Amount paid to each child care provider in 2004

Other information

- Bank account information if seeking direct deposit of refund

What counts as earned income?

You need to have earned income to qualify for the EIC. Income that counts as earned income includes: salary, wages, self-employment, military pay, strike benefits, long-term private disability pay, and cash wages. Earnings from a W-2 trial job count as earned income for the EIC.

Income that does NOT count as earned income includes: SSI, Food Stamps, low-income housing payments, child support, alimony, social security benefits, worker's compensation, and payments from a W-2 transitional grant or a W-2 community service job.

Can immigrant workers get the EIC?

Many legal immigrants who are employed can get the EIC. To be eligible, an immigrant must be a "resident alien for tax purposes." They also must have their children living with them in the United States for more than six months of the tax year. The U.S. must be their main home.

Will getting the EIC affect my welfare benefits?

The EIC does not affect eligibility for benefits like W-2, Medicaid, Food Stamps, SSI or public or subsidized housing.

For more information on tax credits for low income families, see

<http://www.uwex.edu/ces/econ>