

# 2017

# Get the Facts

## Earned Income Tax Credit (EITC)

### What is EITC?

EITC (also called EIC or Earned Income Credit) is a federal and state tax benefit for working individuals and families who earn low-to-moderate incomes in NJ. It is a tax credit that may reduce the amount of taxes you owe, or provide you with a refund, even if you don't owe any taxes.

### Who is Eligible?

If you worked full- or part-time or you were self-employed in 2017, you may qualify. Depending on your income and family size, you could receive a federal credit in the range of \$510 to \$6,318, and a state credit of \$179 to \$2,211.

### How do I get EITC?

You can apply if you don't owe any income tax! To get the NJ state EITC, you must be eligible for the federal EITC and file federal and NJ state income tax returns.

To claim EITC on your tax return, you must meet all the following:

- You must have earned income from working for someone else or owning or running a farm or business.
- Your filing status cannot be married filing separately.
- You must be a U.S. citizen or resident alien all year.
- You, your spouse (if you file a joint return), and all others listed on your Schedule EIC forms, must have a Social Security number that is valid for employment.
- You cannot be a qualifying child of another person.
- You cannot file Form 2555 or Form 2555 EZ (related to foreign earned income).
- Your earned income, adjusted gross income (AGI) and investment income limits must be less than:
  - \$48,340 (\$53,930 married filing jointly) with three or more qualifying children;
  - \$45,007 (\$50,597 married filing jointly) with two qualifying children;
  - \$39,617 (\$45,207 married filing jointly) with one qualifying child; and
  - \$15,010 (\$20,600 married filing jointly) with no qualifying children (if you have no qualifying children, you must be over 25 and under 65).

*Investment income must be \$3,450 or less for the year.*

### EITC and Other Benefits.

EITC refunds won't count as income when you apply for or renew benefits like SNAP, SSI, Medicaid, cash assistance, or public housing. If you save your tax refund, it will not count against the resource/asset limits of these federally-funded programs for 12 months after the refund is received.

### Get FREE tax help.

Free tax preparation is available at **Volunteer Income Tax Assistance (VITA)** sites. For the nearest location, call NJ's resource hotline, 2-1-1, or visit [www.nj211.org](http://www.nj211.org).

For more information on the NJ EITC, call 1-888-895-9179 or visit [www.njeitc.org](http://www.njeitc.org). For more information on federal EITC, call the Internal Revenue Service (IRS) at 1-800-829-1040 or visit [www.irs.gov/eitc](http://www.irs.gov/eitc).