

# Informing Families

## Building Trust

A Partnership for Better Communication  
on Developmental Disability Issues in Washington State

### Earned Income Tax Credit: What's in it for YOU?

The Earned Income Tax Credit (EITC) is a national program that helps low to moderate income working families and individuals by reducing their federal income tax burden.

The amount of the tax credit is based on several factors, including the amount of an individual's earnings from wages, self-employment or farming. The EITC can provide a refund for as much as \$6,143.

In order to claim the EITC, however, you have to file a tax return even if you don't owe taxes for the previous year.

#### Basic Eligibility

To qualify for EITC, you must have earned income from employment, self-employment or another source that does not exceed income limits (see side bar to right), as well as meet a few additional criteria explained at [www.irs.gov/eitc](http://www.irs.gov/eitc).

#### Disability and EITC

Many individuals with disabilities and persons whose child\* has a disability qualify for the EITC.

You may claim a child of **any age** as a qualifying child if the person has a permanent disability and you both meet all other EITC requirements. The tax law definition of totally and permanently disabled is:

☐ The person cannot engage in any substantial gainful activity because of a physical or mental condition.

☐ A doctor determines the condition has lasted or the doctor expects it to last continuously for at least a year or lead to death.



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\*Child: son, daughter, adopted child, stepchild, foster child or a descendant of any of them such as a grandchild; brother, sister, half brother, half sister, step brother, step sister or a descendant of any of them such as a niece or nephew.

### EITC and Public Benefit Programs

EITC and other Public Benefits Refunds received from Earned Income Tax Credit, Child Tax Credit, or any other tax credit are not considered income for any federal or federally funded public benefit program. This includes food stamps, most TANF (Temporary Assistance for Needy Families) payments, Medicaid, SSI (Supplemental Security Income), low income housing, and other Federal and state assistance programs.



#### Income Limits for 2014:

- ▶ \$46,997 (\$52,427 married filing jointly) with three or more qualifying children
- ▶ \$43,756 (\$49,186 married filing jointly) with two qualifying children
- ▶ \$38,511 (\$43,941 married filing jointly) with one qualifying child
- ▶ \$14,590 (\$20,020 married filing jointly) with no qualifying children

Investment income must be \$3,350 or less for the year.

#### Maximum Credit for 2014:

- ▶ \$6,143 with three or more qualifying children
- ▶ \$5,460 with two qualifying children
- ▶ \$3,305 with one qualifying child
- ▶ \$496 with no qualifying children

Remember: To claim EITC, you must file a tax return even if you owe no tax.

**Find out if you qualify for EITC.  
Ask your tax return preparer or visit:  
[www.irs.gov/eitc](http://www.irs.gov/eitc).**