

EITC Fast Facts

- 💰 The Earned Income Tax Credit (EITC) is a refundable tax credit for people who work but do not earn high incomes. The EITC is a valuable tool helping eligible taxpayers lower their tax liability or receive bigger refunds. The BRABC and IRS want all eligible taxpayers to take advantage of every tax credit they qualify for.
- 💰 Created in 1975, the EITC helps offset Social Security taxes as an incentive to work. *The Earned Income Tax Credit is the federal government's largest benefits assistance program for working families.*
- 💰 Despite extensive EITC awareness campaigns by the IRS and its partners, the agency estimates that up to **25% of eligible taxpayers for do not claim the credit because they are not aware of it.**
- 💰 To qualify, you must have earned income, \$3100 or less of investment income, and an adjusted gross income (AGI) of *less than*:
 - * **\$43,279** (\$48,279 married filing jointly) with *three or more qualifying children.*
 - * **\$40,295** (\$45,295 married filing jointly) with *two qualifying children;*
 - * **\$35,463** (\$40,463 married filing jointly) with *one qualifying child;*
 - * **\$13,440** (\$18,440 married filing jointly) with *no qualifying children.*
- 💰 Depending on the amount of your earned and adjusted gross incomes, you may be eligible to receive up to the following amounts on your 2009 tax returns:
 - * **\$5,657** with *three or more qualifying children*
 - * **\$5,028** with *two or more qualifying children;*
 - * **\$3,043** with *one qualifying child;*
 - * **\$457** with *no qualifying children.*
- 💰 More than **22.4 million** taxpayers received more than **\$43.7 billion** in EITC on their 2006 federal income tax returns.
- 💰 Most taxpayers who qualify for the EITC, also qualify for help through the IRS VITA program, which offers free electronic filing at more than 400 IRS Taxpayer Assistance Centers nationwide.
- 💰 Taxpayers can split their refunds into two or three accounts by filing a Form 8888 and send part of their refund to checking and part to future savings.
- 💰 Qualifying employees can receive part of their 2009 EITC through advance payments in their paychecks. Employees should ask their employer about Advance EITC. The maximum amount of advance EITC an employer can issue to an individual per year is \$1,826.