



January 26, 2018 National Earned Income Tax Credit Awareness Day

EARNED INCOME TAX CREDIT (EITC)

GET IT AND GET IT RIGHT!

SCLS Low Income Taxpayer Clinic

What is the EITC?

The Earned Income Tax Credit or EITC is a credit that can be claimed by working people with low to moderate income. In order to qualify, you must file a tax return and meet certain requirements. If you qualify the EITC reduces the amount of tax you owe and may give you a refund.

Basic Qualifications

- You must have earned income from work, your business or a farm.
- Your adjusted gross income cannot exceed certain limits.
- If you're married, you must file a joint return.
- If you have children, they must meet all qualifying child rules.
- Not file Form 2555 or Form 2555-EZ
- Not be the qualifying child of another person,
- Generally, be a U.S. citizen or resident alien for the entire year.

To Claim EITC With a Qualifying Child, the Child Must Pass All of the Following Tests:

Relationship

A son or daughter (including an adopted child or child placed for adoption), Stepchild, Foster child placed by an authorized placement agency or court, Brother, sister, half-brother, half-sister, stepbrother, stepsister or a descendant of any of them

Age, at the end of the filing year, the child was:

Younger than the worker (or the worker's spouse if married filing jointly) and younger than 19 or, younger than 24 and a full-time student. Any age if permanently and totally disabled

Residency

Child must live with the worker (or the worker's spouse if filing a joint return) in the United States for more than half of the year.

Joint Return

The child can not have filed a joint return, unless the child and the child's spouse did not have a filing requirement and filed only to claim a refund.

**Special rules apply for members of the Military on extended duty outside the United States. For information about this rules please visit the IRS website at www.irs.gov, or consult with a professional and trustworthy tax preparer.

SC Legal Services Low Income Taxpayer Clinic can assist you if you have a federal tax problem with the IRS. Our services are free. To find out if you qualify for free legal assistance, and to apply for our services, please call 1-888-346-5592. You can also apply for assistance online at www.sclegal.org