

CCAP

POINTS OF INTEREST

News & Information from the Comprehensive Community Action Program

Want To Save Money?



Take Advantage of a Tax Break for Low Income Workers

Don't Throw Your Money Away!



With a Grant from the [United Way of RI](#) and The RI Community Action Association, Comprehensive Community Action is sponsoring the Earned Income Tax Credit (EITC) program so that more eligible people receive refunds, bringing more dollars into their families and community.

The Earned Income Tax Credit (EITC) is a federal income tax credit for low-income workers who are eligible for and claim the credit. A tax credit is a dollar-for-dollar reduction of taxes owed. Some credits are refundable - taxes could be reduced to the point that an individual would receive a refund rather than owing any taxes.

The EITC is money for people who work but don't earn high enough income, and could use the EITC to put food on the table, move into better housing, invest in education, transportation, or save for the future.

Do You Qualify?

The maximum amount of income you can earn and still get the credit has increased in 2007. To claim the EITC, taxpayers must meet the following rules:

- Must have earned income from employment or self-employment
- Must have a valid Social Security number
- Filing status can't be "married filing separately"



- Must be a U.S. citizen or resident alien all year, or a nonresident alien married to a U.S. citizen or resident alien and filing a joint return
- Cannot be qualifying child of another person
- If you do not have a qualifying child of another person you must be age 25 but under 65 at the end of the year; live in the United States for more than half the year, and not qualify as a dependant of another person.
- Cannot file Form 2555 or 2555-EZ (related to foreign earned income)

Did you meet the rules? If so, your earned income must be less than:

- \$12,590 (\$14,590 if married filing jointly) with no qualifying child
- \$33,241 (\$35,241 if married filing jointly) with one qualifying child
- \$37,783 (\$39,783 if married filing jointly) with more than one qualifying child
- Special rules may apply for members of the U.S. Armed Forces and taxpayers in designated disaster areas

Do you have children?



To be a qualifying child for the credit:

The child must meet the relationship, age and residency tests described at www.irs.gov/eitc or in Publication 596, Earned Income Tax Credit.

The EITC has no effect on certain welfare benefits. In most cases, EITC payments will not be used to determine eligibility for Medicaid, Supplemental Security Income (SSI), food stamps, low-income housing or most Temporary Assistance for Needy Families (TANF) payments.

Need More Information?

CCAP is a Volunteer Income Tax Assistance (VITA) site. Volunteer Income Tax preparers have been trained to help people who qualify for the EITC program to receive the tax credits they deserve. This is a free service.

For more information about the EITC program or to schedule an appointment, contact Sherri Coppotelli at CCAP at 467-9610 ext 127.

For more information about any of CCAP's programs and services visit our web site: <http://www.comcap.org>



The place to turn in times of need