

Earned

Income

Tax

Credit



What Is It?

- A Hand-Up, not a Hand-Out.
- Single largest help to lifting folks from poverty.
- A refundable credit.

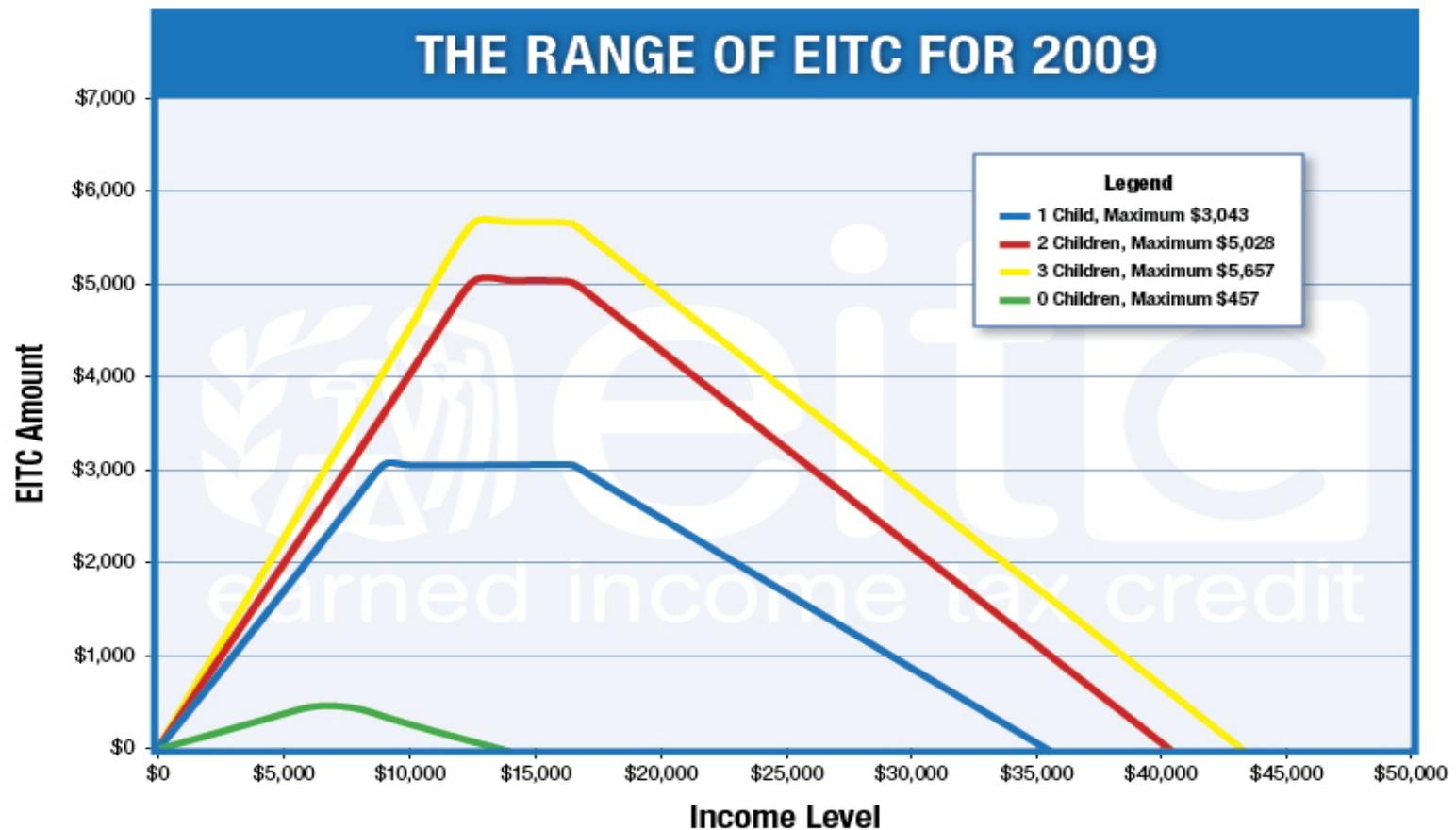
How Many & How Much?

- Last year: 24,000,000 people received \$50,000,000,000.
- 5,000,000 people lifted out of poverty each year.
- Participation estimated at 78%-80%.

Who Are We Missing?

- Living in rural areas
- Self-employed
- Disabled
- Childless
- Not proficient in English
- Older (Grandparents)
- Recently divorced, unemployed, or experienced other changes to their marital, financial or parental status

The Range of EITC



EITC States At A Glance

2008

State	# of People	Avg. Amt.
PA	835k	\$1,885
DC	47k	\$1,887
MD	358k	\$1,943
VA	534k	\$1,963
WV	151k	\$1,880
DE	64k	\$1,957

Basic Qualifications

- Have a valid social security number.
- No "Married Filing Separate" status.
- No Form 2555 or 2555 EZ related to foreign income.
- Investment income less than \$3,100.
- Have earned income.
- Not be the qualifying child of another person.
- Generally be a US citizen or resident alien for the entire year.

How Do You Get It?

FILE A RETURN

How Can People File?

- *Paid Prep*
- *Self-Prep*
- *Volunteer Prep*

Pennsylvania

TY 2007 SPEC Returns

Database

Market Segment	Total Returns	VITA	VITA, TCE & other electronic	VITA, TCE & other paper	Returns with EITC	IRS prep/ reviewed	Self - Prep	Paid Prep
Low Income	3,985,773	57,385	100,389	32,796	835,224	8,502	1,973,143	1,873,327

AARP

- Serves taxpayers over 60
- Focuses on elderly issues
- Flexible income levels
- Do 60% of volunteer returns in PA

VITA

- Focus is low to moderate income
- Emphasizes EITC
- Lower income limitations

NEW THIS YEAR

- Debt Indicator Gone
- Variety of Debit Cards
- Modernized e-file

FEAB

- IRS facilitates and promotes
- Partners guide and choose
- FEAB Webinars
- Debit Cards (visit nctc.org for comparisons)

Contact Information

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