

Eligibility: Earned Income Tax Credit and Federal Poverty Information

The Earned Income Tax Credit (EITC) eligibility and Federal poverty information are both useful in determining whether a person is eligible to participate in an AFI Project. As indicated in Doc 4-2, eligibility for AFI may be calculated, in part, either using applicants' eligibility for TANF, or one of two other measures: their eligibility for the Earned Income Tax Credit program or their annual income in relation to the Federal poverty line. The following tables provide income eligibility figures for the EITC program and the Federal Poverty line.

EITC Income Guides

Income and family size determine the amount of the Federal Earned Income Tax Credit an individual or family may receive. For tax year 2005, to qualify for the credit, a person's or family's investment income must be \$2,700 or less. In addition, both earned income and adjusted gross income for 2005 must be more than \$1 but no more than the amounts listed for each category in the table below.

Income Caps for Earned Income Tax Credit, 2005		
Families With the Following Number of Qualifying Children	Family Head Filing Individually	Married Filing Jointly
0	\$11,750	\$13,750
1 child	\$31,030	\$33,030
2 or more children	\$35,263	\$37,263

The Internal Revenue Service adjusts the EITC income caps annually. For more information about the EITC, go to the AFI Asset-Building Web site, <http://www.acf.hhs.gov/asset> for links to the IRS posting and to IRS information on the EITC.

Federal Poverty Information

Poverty lines used to determine eligibility for AFI vary by family size and, in some cases, by State. Current guidelines are found by going to the AFI Asset-Building Web site at <http://www.acf.hhs.gov/assetbuilding>.

Federal Poverty Lines for 2005*			
Persons in Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 9,570	\$11,950	\$11,010
2	12,830	16,030	14,760
3	16,090	20,110	18,510
4	19,350	24,190	22,260
5	22,610	28,270	26,010
6	25,870	32,350	29,760
7	29,130	36,430	33,510
8	32,390	40,510	37,260
For each additional person, add	3,260	4,080	3,750

* The poverty lines are adjusted annually.