



Find out if you qualify for EITC, ask your tax return preparer or visit

www.irs.gov/eitc

Refunds received from the Earned Income Tax Credit (EITC or EIC), the Child Tax Credit (CTC) or any other tax credit are not considered income for any federal or federally funded public benefit program. This includes Medicaid, Supplemental Security Income (SSI), food stamps, low-income housing or most Temporary Assistance for Needy Families (TANF) payments.

Under the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010, your credit or other tax refund is not counted as a resource for at least 12 months from when you receive it. If you save your refund, federal or federally funded agencies will not use it to determine your eligibility or the amount of your benefit. This new rule is for refunds received after December 31, 2009 and through 2012. It is always **best to check with your local benefit coordinator** to find out if your benefits fall under this provision.



Life's a little easier with



Disability and EITC

Many persons with disabilities or persons having children with disabilities qualify for the Earned Income Tax Credit, EITC or EIC.

Four out of five persons eligible for EITC apply for and get the credit. Be one of the four who get it. Learn more about EITC to find out if you qualify for this important financial boost. And, remember you must file a tax return even if you owe no tax to claim EITC.

Find out if you qualify for EITC.

Did you know?

If you have disability retirement benefits and have not reached your minimum retirement age, your benefits may count as earned income for EITC. You may qualify for EITC if you meet all other requirements. Minimum retirement age is the earliest age you could have received a pension or annuity if you were not disabled.

You may claim a relative of any age as your qualifying child if the person is totally and permanently disabled and your relative and you meet all other EITC requirements.

The tax law definition of totally and permanently disabled is:

The person cannot engage in any substantial gainful activity because of a physical or mental condition.

A doctor determines the condition has lasted or the doctor expects it to last continuously for at least a year or lead to death.

What does this mean to you?

You retired last year because of a disability and received \$12,000 in retirement benefits. You are 42 years old and worked for your company for 15 years. The earliest age your company pays retirement benefits is 55 years old with 30 years of service. If you meet all the other EITC requirements, you can use your disability retirement benefits as earned income and claim EITC. Find out if you qualify!

You have a relative with a disability who is 35 years old who earned \$3,200 working in a supported employment program. Your relative who was never married was born with a developmental disability and lived with you in the United States for the full year. This relative could be your qualifying child for EITC. Find out if you qualify!

For Example:

David wants to claim his son Charlie for EITC. David earned \$14,500 and had no other income. Charlie is 35 years old, was never married and his father says he is disabled. Charlie lived with his father in the U.S. for the full year and no one else lived in the home. Charlie's mother is deceased. Both have Social Security numbers valid for employment. Charlie worked for part of the year and earned \$5,200.

What do we need to know to find out if David qualifies for EITC?

Is Charlie able to work?

Has a doctor determined Charlie is disabled?

Did the doctor say how long Charlie's disability will last?

Can David get a statement from Charlie's doctor about his disability?

Take 1 We find out Charlie had an accident last May and sustained a disability from his injuries. His doctor said he is totally and permanently disabled, not able to work and the doctor does not expect Charlie to recover.

David can claim EITC using Charlie as his qualifying child because his doctor determined he cannot work because of his disability and his disability will last longer than a year.

Take 2 We find out Charlie had an accident last May and sustained a disability from his injuries. Charlie's recovery is good and his doctor expects him to return to work this coming March.

Charlie is not David's qualifying child because his disability is not expected to last a full year.

Find out if you qualify for EITC, ask your tax return preparer or visit www.irs.gov/eitc

