



**George E. Pataki**  
Governor

**NEW YORK STATE**  
**OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE**  
40 NORTH PEARL STREET  
ALBANY, NY 12243-0001

**Robert Doar**  
Commissioner

## Informational Letter

### Section 1

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| <b>Transmittal:</b>                    | 06-INF-02   |
| <b>To:</b>                             | Local District Commissioners  |
| <b>Issuing Division/Office:</b>        | Division of Employment and Transitional Supports  |
| <b>Date:</b>                           | January 10, 2006  |
| <b>Subject:</b>                        | Revision to PUB-4786: "The Earned Income Tax Credit"  |
| <b>Suggested Distribution:</b>         | Temporary Assistance Directors<br>Food Stamp Directors<br>CAP Coordinators<br>TOP Coordinators  |
| <b>Contact Person(s):</b>              | Mark Schaffer 518-474-9346; <a href="mailto:Mark.Schaffer@otda.state.ny.us">Mark.Schaffer@otda.state.ny.us</a><br>Forms Questions: Bob Gullie 1-800-343-8859 Extension 6-1095 |
| <b>Attachments:</b>                    | PUB-4786: "The Earned Income Tax Credit" brochure   |
| <b>Attachment Available On – Line:</b> | <input checked="" type="checkbox"/>   |

### Filing References

| Previous ADMs/INFs | Releases Cancelled | Dept. Regs. | Soc. Serv. Law & Other Legal Ref. | Manual Ref. | Misc. Ref. |
|--------------------|--------------------|-------------|-----------------------------------|-------------|------------|
|                    |                    |             |                                   |             |            |

### Section 2

#### I. Purpose

The purpose of this release is to inform local districts that PUB-4786: "The Earned Income Tax Credit" brochure has been revised, primarily to reflect the increased income thresholds for eligibility and the increased tax credit amount. The brochure will now also include information about the Child Tax Credit and education credits.

## II. Background

PUB-4786: The Earned Income Tax Credit brochure was first introduced in December 2001 to inform clients with earned income and other low-income workers of their potential eligibility for the State and Federal Earned Income Tax Credits.

District staff is advised to display the brochure in client waiting areas and to provide it to all assistance applicants and/or recipients who have earned income or may be entering the workforce.

## III. Forms Ordering Information

Delivery of the revised 11/05 version of PUB-4786 is expected in January 2006. Your district will automatically receive copies. The Spanish version of the brochure will be available in the near future.

Requests for printed copies of the 11/05 version of PUB-4786 should be submitted on OTDA-876 "Request for Forms or Publications", and should be sent to:

Office of Temporary and Disability Assistance  
BMS Document Services and Operational Support  
P.O. Box 1990  
Albany, NY 12201

Questions concerning ordering forms should be directed to BMS Document Services at 1-800-343-8859, ext. 4-9522.

This brochure also may be ordered through Outlook. To order this brochure you must obtain an OTDA-876 electronically by going to the OTDA Intranet Website at <http://otda.state.nyenet/> then to Division of Program Support & Quality Improvement page, then to PSQI E-Forms page (this page contains the electronic OTDA-876).

For those who do not have Outlook but who have Internet access for sending and receiving e-mail, the Internet e-mail address is: [gg7359@dfa.state.ny.us](mailto:gg7359@dfa.state.ny.us). For a complete list of available forms, please refer to OTDA Intranet site: [http://otda.state.nyenet/ldss\\_eforms/default.htm](http://otda.state.nyenet/ldss_eforms/default.htm).

### Issued By \_\_\_\_\_

**Name:** Russell Sykes  
**Title:** Deputy Commissioner  
**Division/Office:** Division of Employment and Transitional Supports

## What other Tax Credits are available?

### - Child Tax Credit (CTC) And Additional CTC:

- The CTC, worth up to \$1000 for each qualifying child, is a non refundable credit used to reduce the amount of tax you owe. If the CTC exceeds the amount of tax owed, you may, if eligible, claim the difference as an additional CTC. This credit may be claimed by completing Form 8812: Additional Child Tax Credit.

### - Education Credits:

There are two education credits that may be claimed by each eligible student.

- Hope Credit: This credit applies to the first two taxable years of post secondary education. \$1500 is the maximum credit per student that may be claimed.
- Lifetime Learning Credit: This credit is based upon the total of qualified education expenses and the maximum credit is \$1000 per year.



## Where can I get the tax forms?

Tax forms are available at libraries, post offices, and banks.

Federal forms are also available at [www.irs.gov](http://www.irs.gov) (click on forms and publications).

New York State forms are available at [www.tax.state.ny.us](http://www.tax.state.ny.us) (click on forms and instructions).

## Who can I call with questions?

For information and help filing your federal taxes, call the IRS at :

**1 (800) 829-1040**

(for Spanish, press 8).

For help with NYS taxes, call:

**1 (800) 225-5829.**



Families can also receive help by visiting a Volunteer Income Tax Assistance Center (VITA). To find a VITA center near you, call the IRS toll free number listed above.

New York State Office of  
Temporary and Disability Assistance  
[www.otda.ny.us](http://www.otda.ny.us)



State of New York  
George E. Pataki, Governor

Pub-4786 (Rev 11/05 )

# The Earned Income Tax Credit And Other Credits May Put Money in Your Hand!



Great News for  
Working Families  
Who Earn Less  
Than \$37,263.00\*

\*Based on 2005 Levels

## Is it worth doing?

**Absolutely!** While the amounts will vary depending on your family's earned income and the number of qualifying children in your household, you may be eligible for a tax credit. Below are some examples of combined federal and state Earned Income Tax Credits (EITCs):



- a family with two or more qualifying children may be eligible for **up to \$5,720**.
- a family with one qualifying child may be eligible for **up to \$3,460**.
- a family with no qualifying children may be eligible for **up to \$518**.

## Imagine getting an extra \$5,000!

- Purchase an automobile or buy a better one;
- Buy a computer for you and your children;
- Improve your housing;
- Purchase school clothing, school supplies, or sports equipment for your children;
- Or help pay for rent, heat and current or past bills.

Best of all, EITC money usually does not affect TANF, Food Stamps, SSI, public housing or Medicaid.

*You can spend EITC money any way you want to!*

## What is a "qualifying child"?

A "*qualifying child*" is a child who is your son or daughter, grandchild, adopted child, stepchild or foster child, sibling, stepsibling, or a descendent of one of these relatives, **AND** who (at the end of the year) was under age 19 **OR** under age 24 and a full time student **OR** any age and permanently and totally disabled **AND** who lived with you in the U.S. for more than half of the year. Brothers, sisters, step brothers, step sisters - and descendants of such relatives - may also qualify you if they were cared for as a member of your family.



## Questions?

Call the IRS toll free at 1-800-829-1040.  
(for Spanish, press 8).

### Free Tax Help

Don't pay to have your taxes prepared. You can get your refund just as quickly without paying any fees by visiting a Volunteer Income Tax Assistance Center (VITA). To find a VITA center near you, call the IRS toll free number listed above.

## How do I get the money?

There are two different ways to get the money. Working families may either get the entire EITC all at once when you file your tax forms, **OR**, you can receive a portion of the EITC in advance with each paycheck, up to \$117 per month and the rest in a lump sum. Ask your employer for a form called "**W-5 - EIC Advance Payment Certificate**".

## Do I have to fill out tax forms?

**Yes.** This program is based on the money you earn from your job, and you must file income tax forms even if you own no taxes to apply for the EITC money.

If you are raising *qualifying children*, you need federal tax form 1040 (or you can use 1040A) and you must attach Schedule EIC. You also need the NYS tax form IT-215.



If you *are not raising children*, you may still qualify, but you must file different forms.

Can I only receive EITC money for this year?

Families who qualified in the past two years and never received the EITCs may do so now by updating their Federal tax form and filing the New York State tax form IT-215 for that year.