

Federal Earned Income Tax Credit (EITC)

<https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit>

Department of the Treasury Internal Revenue Service Notice 797

Possible Federal Tax Refund Due to the Earned Income Credit (EIC)

What Is the EIC?

The EIC is a refundable tax credit for certain workers.

What Is the Purpose of This Notice?

Your employer sent you this notice to make you aware of an important federal tax benefit. Even if you had no income tax withheld from your wages during the year, you may be eligible for the EIC.

How Much Is the EIC?

For 2020, the EIC can be as much as \$3,584 if you have one qualifying child; \$5,920 if you have two qualifying children; \$6,660 if you have three or more qualifying children; and \$538 if you have no qualifying children.

How Do You Claim the EIC?

To claim the EIC, you must:

1. Be eligible for the EIC, and
2. File a 2020 tax return (including Schedule EIC if you have a qualifying child).

To figure out if you are eligible, see Pub. 596 or visit [IRS.gov/EITC](https://www.irs.gov/EITC).

If eligible, you can claim the EIC to get a refund even if you had no tax withheld from your pay or owe no tax. For example, if you had no tax withheld in 2020 and owe no tax but are eligible for a credit of \$800, you must file a 2020 income tax return to get the \$800 refund.

Most people qualify for free tax preparation. If you earned less than \$72,000, you can file for free online at [IRS.gov/FreeFile](https://www.irs.gov/FreeFile). In addition, IRS-certified volunteers can prepare your return for free in person if you earned less than \$57,000 or are age 60 or older. To find locations, visit [IRS.gov/VITA](https://www.irs.gov/VITA) or call 800-906-9887.

More Information

Refer to instructions for the tax return you are filing, Pub. 596, or [IRS.gov/EITC](https://www.irs.gov/EITC) for details on the EIC. You can download IRS forms and publications at [IRS.gov/Forms](https://www.irs.gov/Forms), and you can get printed copies mailed to you by going to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) or by calling 800-829-3676.

Notice 797 (Rev. 12-2020)

State Earned Income Tax Credit (EITC)

States that require the Federal EITC Notice 797; Louisiana and Texas.

In addition to the Federal Notice 797, certain states have additional EITC language requirements; California, Illinois, Maryland, New Jersey and Oregon.

Maximum EITC Amount			
Qualifying Children Claimed			
Zero	One	Two	Three or more
\$538	\$3,584	\$5,920	\$6,660

To be eligible your earned income and adjusted gross income (AGI) must be less than:

If filing...	Qualifying Children Claimed			
	Zero	One	Two	Three or more
Single, Head of Household or Widowed	\$15,820	\$41,756	\$47,440	\$50,954
Married Filing Jointly	\$21,710	\$47,646	\$53,330	\$56,844

CALIFORNIA – NOTICE TO EMPLOYEES

California Earned Income Tax Credit (EITC)

You also may be eligible to receive the California earned income tax credit (California EITC) starting with the calendar year 2015 tax year. The California EITC is a refundable state income tax credit for low-income working individuals and families. The California EITC is treated in the same manner as the Federal EITC and generally will not be used to determine eligibility for welfare benefits under California law. To claim the California EITC, even if you do not owe California taxes, you must file a California income tax return and complete and attach the California EITC Form (FTB 3514). For more information on the availability of the credit, eligibility requirements, and how to obtain the necessary California forms and get help filing, contact the Franchise Tax Board at 1-800-852-5711 or through its web site at www.ftb.ca.gov.

ILLINOIS – NOTICE TO EMPLOYEES

Illinois also has a State EITC!

Illinois residents who claim the federal EITC may also get a State EITC which can be worth up to \$1,198!

Need help filing your taxes?

There are programs throughout Illinois where families with incomes under \$56,000 and individuals with incomes under \$30,000 can get free electronic tax preparation and access to financial services.

- Call 312-409-1555 (Spanish) or visit www.goladderup.org
- You may also call the IRS at 800-829-1040 or 800-829-4059 (TDD).

Note: EITC payments will not affect any DHS benefits you are currently receiving.