

Earned Income Credit (EIC) Worksheet

See *Earned Income Credit*, page 11-8, *TheTaxBook, 1040 Edition/Deluxe Edition*, for information on who qualifies for the Earned Income Credit.

Earned Income Worksheet

- 1) Enter amount from line 1, Form 1040..... 1) _____
- 2) Enter any of the following if it is included on line 1, Form 1040:
 - Taxable scholarship or fellowship grant not reported on a Form W-2.
 - Income received for work performed while an inmate in a penal institution.
 - Pension or annuity income from a nonqualified deferred compensation plan or a nongovernmental section 457 plan.
 - Medicaid waiver payment excluded from income..... 2) _____
- 3) Subtract line 2 from line 1..... 3) _____
- 4) Enter all nontaxable combat pay if elected. Also enter "NCP" and amount on dotted line next to line 27, Form 1040.
See *Combat pay election*, page 11-10, *TheTaxBook, 1040 Edition/Deluxe Edition*..... 4) _____
- 5) **Earned income.** Add line 3 plus line 4..... 5) _____

Worksheet A* For taxpayers other than self-employed, clergy, certain church employees, or statutory employees.

- 1) Enter earned income from the *Earned Income Worksheet* above, line 5..... 1) _____
- 2) Look up the amount from line 1, above, in the Earned Income Credit (EIC) Table, page 2-15, *TheTaxBook, 1040 Edition/Deluxe Edition* and enter the result here..... 2) _____
- 3) Enter AGI, line 11, Form 1040..... 3) _____
- 4) If amounts on line 1 and line 3 are the same, skip line 5 and enter the amount from line 2 on line 6. Otherwise, go to line 5.
- 5) If taxpayer has:
 - **No qualifying children.** Is the amount on line 3 less than \$8,800 (\$14,700 if MFJ)?
 - **One or more qualifying children.** Is the amount on line 3 less than \$19,350 (\$25,250 if MFJ)?
 - Yes.** Leave line 5 blank, enter the amount from line 2 on line 6.
 - No.** Look up the amount on line 3 in the EIC Table and enter the result here..... 5) _____
- 6) Enter the smaller of line 2 or line 5 here. This is the EIC to enter on line 27, Form 1040..... 6) _____

Worksheet B* For self-employed taxpayers, members of the clergy or church employees filing Schedule SE, and statutory employees filing Schedule C.

- 1a) Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies..... 1a) _____
- 1b) Enter any amount from Schedule SE, Section B, line 4b, and line 5a..... 1b) _____
- 1c) Combine line 1a plus line 1b..... 1c) _____
- 1d) Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies..... 1d) _____
- 1e) Subtract line 1d from line 1c..... 1e) _____
- 2) Enter amounts on line 2a through 2c *only* if taxpayer was not required to file Schedule SE. For example, Schedule SE was not filed because self-employment was less than \$400. Do not include on lines 2a through 2c any statutory employee income, any net profit from services performed as a notary public, any amount exempt from SE tax as a result of the filing and approval of Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.
- 2a) Enter any net farm profit or (loss) from line 34, Schedule F (Form 1040), and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A (reduced by any Section 179, unreimbursed partner expenses, and depletion claimed on oil and gas properties)..... 2a) _____
- 2b) Enter net profit or (loss) from line 31, Schedule C (Form 1040), and from Schedule K-1 (Form 1065), box 14, code A (other than farming), (reduced by any Section 179, unreimbursed partner expenses, and depletion claimed on oil and gas properties)..... 2b) _____
- 2c) Combine lines 2a and 2b..... 2c) _____
- 3) **Statutory employees filing Schedule C,** enter the amount from Schedule C, line 1..... 3) _____

Earned Income Credit (EIC) Worksheet continued

- 4a) Enter earned income from the *Earned Income Worksheet* previous page, line 5..... 4a) _____
- 4b) Combine lines 1e, 2c, 3, and 4a. **This equals total earned income**..... 4b) _____
- 5) If taxpayer has:
- **Three or more qualifying children.** Is the amount on line 4b less than \$50,954 (\$56,844 if MFJ)?
 - **Two qualifying children.** Is the amount on line 4b less than \$47,440 (\$53,330 if MFJ)?
 - **One qualifying child.** Is the amount on line 4b less than \$41,756 (\$47,646 if MFJ)?
 - **No qualifying children.** Is the amount on line 4b less than \$15,820 (\$21,710 if MFJ)?
- Yes.** Enter the amount from line 4b on line 6.
No. Taxpayer cannot take the credit. Enter "No" next to line 27, Form 1040.
- 6) Enter earned income from line 4b..... 6) _____
- 7) Look up the amount from line 6, above, in the Earned Income Credit (EIC) Table, page 2-15, *TheTaxBook, 1040 Edition/Deluxe Edition* and enter result here..... 7) _____
- 8) Enter AGI from line 11, Form 1040..... 8) _____
- 9) If line 8 and line 6 are the same, skip line 10 and enter the result from line 7 on line 11. Otherwise, go to line 10. 9) _____
- 10) If taxpayer has:
- **No qualifying children.** Is the amount on line 8 less than \$8,800 (\$14,700 if MFJ)?
 - **One or more qualifying children.** Is the amount on line 8 less than \$19,350 (\$25,250 if MFJ)?
- Yes.** Leave line 10 blank, enter the amount from line 7 on line 11.
No. Look up the amount on line 8 in the EIC Table and enter the result here..... 10) _____
- 11) Enter the smaller of the amounts on line 7 and line 10. This equals the EIC..... 11) _____
- * If taxpayer has a qualifying child, complete and attach Schedule EIC to the return.