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## Need More Money to Pay Your Bills?



**Get up to \$4,536 with  
the Earned Income  
Tax Credit even if  
you don't owe any  
Federal Income Tax  
for 2006**

**Find out more.**

## Earned Income Tax Credit for Tax Year 2006

The Earned Income Tax Credit for tax year 2006 lets some working families with children and some workers without children pay less Federal income tax or get money back.

### How Much Will I Get?

- For workers between age 25 and 64 on 12/31/06 with *no children*, up to \$412.
- For workers with *one child*, up to \$2,747.
- For workers with *more than one child*, up to \$4,536.



### Can I Get My Money Fast?

Yes...There are 2 ways you can get your money quickly. Go to an IRS certified free tax preparer and pay nothing. *OR*, pay a tax preparer up to \$200 and sometimes more to get your money fast. By going to an IRS certified free tax preparer, your refund will come to your bank account in 10 to 14 days.

*Why pay someone to prepare your taxes when you can get it done for free?*

### Can I Qualify?

- **General Rules**
  - You must have earned income
  - You must have a social security number
  - Your filing status can't be "Married filing separately."
  - You must be a U.S. citizen or resident alien all year, or a nonresident alien married to a U.S. citizen or resident alien filing a joint return.

## How Can I Get Free Help Preparing My Taxes?

Call UNH Cooperative Extension Family Home & Garden Center at 1-877-Ext-Grow (1-877-398-4769) to find out where the nearest free IRS certified free tax preparation site is located. IRS certified volunteers are trained to help you fill out the tax forms including Schedule EIC. There is no charge. Keep all of the money owed you by going to a free tax preparation site.

If you do qualify for the Earned Income Tax Credit, you may be interested in electronic filing. Free electronic filing is available in New Hampshire at some of the IRS certified free tax preparation sites. Also, to electronically file for free go to: <http://www.irs.gov> and click on efile.

## What Should I Bring To The Tax Preparation Site:

- **Tax Forms**
  - Copy of 2005 return
  - W-2 forms from all 2006 jobs
  - 1099-G (unemployment)
  - 1099-INT (bank interest)
  - 1099-MISC (miscellaneous)
  - W-2G (gambling winnings)
- **Other Information**
  - Valid photo ID
  - Social security numbers of all household members
  - Name, address, and tax identification number of child care provider
  - Amount of money paid to child care provider in 2006
  - Saving and checking routing and account numbers

**See If You Qualify** 

## What Counts As Earned Income?

Earned income includes all income you get from working. To get the Earned Income Tax Credit, you had to work part-time or full-time in 2006 and have earned income.



### Taxable Earned Income

- Salary, Wages, Tips
- Net earnings from self-employment
- Union strike benefits
- Long-term disability benefits received prior to minimum retirement age

### Doesn't Count As Earned Income

- TANF
- SSI
- Social Security Disability Insurance
- Food Stamps
- Child Support
- Alimony
- Social Security Benefits
- Workers' Compensation
- Interest and Dividends
- Pensions or Annuity
- Earnings for work performed while an inmate at a penal institution
- Combat zone excluded pay\*
- Military basic housing and subsistence allowances
- Veterans' Benefits
- Unemployment Compensation
- Taxable scholarship or fellowship grants that aren't reported on Form W-2
- Non-taxable foster care payments

\* For Tax Year 2006, you can choose to include as earned income.

## How Much Money Can I Earn and Still Get the Earned Income Tax Credit?

### • Workers With Children

You must have earned income during 2006 and your investment income can't be more than \$2,800. The earned income could be from a business of your own or from someone paying you for work. Adjusted gross income must be less than \$32,001 (or \$34,001 for married filing jointly) if you have one qualified child. If you have two or more qualified children, adjusted gross income must be less than \$36,348 (or \$38,348 for married filing jointly).

You must check one box in **each** of the **3 parts** below to qualify:

#### Part 1 - Child:

- son
- daughter
- adopted child
- grandchild
- stepchild
- foster child placed by an authorized government or private placement agency.
- cared for sister, brother, stepsister, stepbrother as you would your own child

*The child doesn't have to be your dependent to be a qualifying child unless he or she is married.*

#### Part 2 - How old at the end of 2006:

- under 19
- under 24 & full-time student
- any age & totally and permanently disabled

#### Part 3 - In 2006, my child lived with me?:

- more than six months

### • Workers Without Children

You must be at least age 25 and under age 64. Your earned income during 2006 must be less than \$12,120 (or \$14,120 for married filing jointly) and your investment income can't be more than \$2,800. You can't be the dependent of another person. You must have lived in the United States for more than half of the year. If you meet these criteria, you can get up to \$412.

### How Do I Get My Earned Income Tax Credit?

- **Workers with children**, file Form 1040 or Form 1040A and attach Schedule EIC. Married workers must file a joint return to get the EIC.
- **Workers without children**, file Form 1040 or Form 1040A or Form 1040EZ.

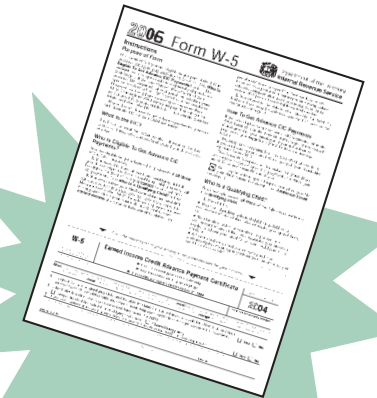
### Where Do I Find The Forms?

Forms can be found at all libraries, IRS offices and VITA sites. Forms can be found at some post offices and banks or the IRS Website at <http://www.irs.gov>

*You can't take the credit if you were the qualifying child of another person in 2006.*

## How Can I Get The Credit During The Year?

- If you have at least one qualifying child, file W-5 with your employer to get some Earned Income Tax Credit with every paycheck. File each year. This works best if you have steady work.



2007 Advance Earned Income Tax Credit



Get more in your paycheck and get a tax refund, too!

Find out more.

UNIVERSITY of NEW HAMPSHIRE COOPERATIVE EXTENSION

Call UNH Cooperative Extension Publications Center at 862-2346 to request the "2007 Advance Earned Income Tax Credit" free brochure.