

## Federal Earned Income Tax Credit (EIC)

### What is the EIC?

The Earned Income Tax Credit (EIC) is a refundable federal income tax credit for low-income working individuals and families. You do not need to owe taxes to receive the EIC.

### How does it work?

The amount of the EIC refund is based on family size, filing status and income. Those earning less than \$48,362 (in 2010) may qualify for a tax refund of up to \$5,666. Taxpayers must have earned income and must have filed a federal tax return.

*Virginia residents can claim EICs on both their federal and state tax returns. If you qualify for the federal credit, you will also qualify for the VA EIC. For the 2010 tax year, the VA EIC is equal to 20% of the federal EIC. Unlike the federal EIC, this credit is non-refundable. (You cannot receive refund money beyond what you owe in taxes.)*

### Income Limits (Preview of the 2010 tax year)

Number of Qualifying Children	Adjusted Gross Income, Single	Adjusted Gross Income, Married Filing Jointly	Maximum Credit (Annual)
0	\$13,460	\$18,470	\$457
1	35,535	40,545	3,050
2	40,363	45,373	5,036
3 or more	43,352	48,362	5,666

\*Gross income includes money, goods, property, and services. Adjusted gross income is income minus allowed deductions, such as alimony, IRA contributions, health savings account contributions and one-half of self-employment tax (NOT itemized deductions or credits).

Source: Internal Revenue Service. Preview 2010 EITC Income Limits. 22 June 2010.  
<http://www.irs.gov/individuals/article/0,,id=215766,00.html>.

### Contact Information

Internal Revenue Service Live Telephone Assistance

Phone: (800) 829-1040

Webpages: [IRS Information Regarding Free Online Filing](#)  
[Earned Income Tax Credit \(EIC\) Questions and Answers](#)  
[EIC Publications, Forms, Brochures, and Resources](#)

During tax season, live assistance is available Monday-Friday from 7AM-10PM (EST). There is also a recorded assistance line available 24 hours a day, 7 days a week.

Spanish Speaking Assistance

Phone: 1 (800) 829-1040

[The Volunteer Income Tax Assistance Program \(VITA\)](#) offers free tax help by trained volunteers if you qualify. VITA sites are located at convenient community locations, and volunteers provide free basic income tax return preparation to people with earned incomes of about \$49,000 or less.