

Franchise Tax Board

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California Earned Income Tax Credit

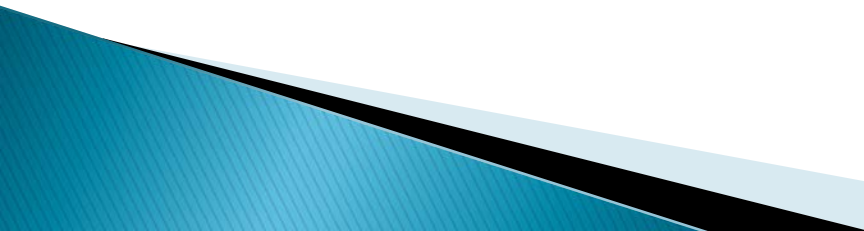
IT'S YOUR MONEY

GET IT!




EARNED INCOME TAX CREDIT

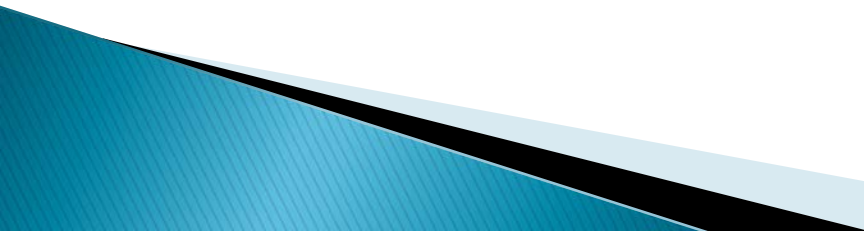
California Earned Income Tax Credit (EITC)

- The CA EITC is "refundable," meaning that you will receive a refund if the amount of the credit is greater than the tax you owe
 - This credit is available to California households with adjusted gross income of less than **\$6,580** if there are **no** qualifying children, less than **\$9,880** if there is **one** qualifying child, or less than **\$13,870** if there are **two** or more qualifying children
 - There are important differences between the California EITC and its federal counterpart
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California Earned Income Tax Credit (EITC)

- Unlike the federal EITC, income from self-employment **cannot** be used to qualify for the California credit
 - **The CA EITC requires earned income reported on a W-2 form, such as wages, salaries, and tips, which must be subject to California withholding**
 - You must file a state tax return, even if you do not owe any tax or are not otherwise required to file
 - You, your spouse, and any qualifying children must each have a social security number issued by the Social Security Administration that is valid for employment.
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California Earned Income Tax Credit (EITC)

- You must file using the single, married/registered domestic partner (RDP) filing jointly, or head of household filing status
 - The “married/RDP filing separately” status **may not** be used.
 - Your principal residence must be in California for more than half the tax year
 - FTB 3514, California Earned Income Tax Credit, must be completed and filed with return to claim credit
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California Earned Income Tax Credit (EITC)

- The credit amount, if you qualify, is on line 23 of the 540 2EZ, line 75 of the 540 return, line 82 of the 540NR (short) and line 85 of the 540NR (Long)
- Taxpayers who would like to file returns to claim EITC are being encouraged to use a Volunteer Program to prepare those returns
- <http://calbudgetcenter.org/resources/interactive-how-much-will-working-families-and-individuals-benefit-from-californias-new-eitc/>

California Earned Income Tax Credit (EITC)

- For more information on CA EITC, you can go to this Website: <http://caleitc4me.org/>
- Another source information is the Franchise Tax Board Webpage at: <https://www.ftb.ca.gov/> and search for CA EITC