

A great deal has been said in recent weeks about the Making Work Pay Tax Credit that Congress created when we passed the American Recovery and Reinvestment Act (HR 1), but HR 1 also boosted another tax credit that has been on the books for years but that you might not know about. It's called the Earned Income Tax Credit (EITC), and can be worth more than \$4,800. Congress created the EITC in 1975 to make sure that everyone was encouraged to work. It's a credit for Americans who have worked hard but aren't making a great deal of money. Unfortunately, millions of Americans who qualify for EITC don't realize it, and they end up paying more in taxes than they need to.

With our current economic troubles, there are probably even more people eligible than in previous years. You or your friends may have become eligible for the first time. Fortunately, the IRS and some local groups can help you determine if you are eligible for EITC and for how much you qualify.

There are a few simple checks to follow, and I'll discuss those below, but if you have any doubts, I encourage you to use the IRS's EITC Assistant, available on their website in [English](#) and [Spanish](#), to make sure.

1. If you've earned more than \$2,950 from investments, you're not eligible.
2. If you are not a legal resident or didn't earn wages from work, you're not eligible.
3. If you were younger than 25, over 65, or claimed as a dependent, you're not eligible.
4. If your adjusted gross income (AGI) is more than \$42,000, you're not eligible.

If none of these four points applies to you, even if you didn't earn enough at your job to have to file an income tax form, it's probably worth your time to find out whether you are eligible. The [IRS's website](#) offers very good tools to determine your eligibility. You can also call the IRS Taxpayer Assistance Center in San Antonio at (210) 841-2090 or head over to 8626 Tesoro Drive between 8:30 am and 4:30 pm, Monday through Friday.

The Earned Income Tax Credit exists because we know that it can be tough for working families to make ends meet. If you qualify, make sure you're getting your due.

Resources: IRS Web Site: [www.irs.gov](http://www.irs.gov) IRS's EITC Assistant:  
English: <http://www.irs.gov/individuals/article/0,,id=130102,00.html>  
Spanish: <http://www.irs.gov/espanol/article/0,,id=149192,00.html>

David Hendricks's excellent article on EITC in the Express-News: [http://www.mysanantonio.com/business/Many\\_miss\\_out\\_on\\_tax\\_credit.html](http://www.mysanantonio.com/business/Many_miss_out_on_tax_credit.html)