



Before you begin:  You cannot take the credit if you have no qualifying children for 2008 and received an economic stimulus payment of \$600 (\$1,200 if married filing jointly) before offset (see *Refund Offset* on page 59). You cannot take the credit because you already have received the maximum amount of the credit.

 **TIP** If you received Notice 1378, have it available. The notice shows the amount of your economic stimulus payment, which you will need to fill in line 28 below.

1. Can you, or your spouse if filing a joint return, be claimed as a dependent on another person's return?
 No. Go to line 2.
 Yes. You cannot get the credit. **Stop** here.
2. Does your tax return include a valid social security number for you and, if filing a joint return, your spouse?
 Yes. Skip lines 3 and 4 and go to line 5.
 No. Got to line 3.
3. Are you filing a joint return for 2008?
 Yes. Go to line 4.
 No. You cannot take the credit. **Stop** here.
4. Were either you or your spouse a member of the U.S. Armed Forces at any time during 2008?
 Yes. Go to line 5.
 No. You cannot take the credit. **Stop** here.
5. Enter the amount from Form 1040, line 56 5.
6. Enter the amount from Form 1040, line 51 6.
7. Add lines 5 and 6 7.
8. Enter \$600 (\$1,200 if married filing jointly) 8.
9. Enter the smaller of line 7 or line 8 9.

DRAFT

5.		
6.		
7.		
8.		
9.		

Recovery Rebate Credit — Line 70 (continued)



10. Is the amount on line 9 at least \$300 (\$600 if married filing jointly)?
 Yes. If you have at least one qualifying child for whom you entered a valid social security number* on Form 1040, line 6c, column (2), and either checked the box on Form 1040, line 6c, column (4), or completed Form 8901, go to line 11. Otherwise, skip lines 11 through 21 and enter the amount from line 9 on line 22.
 No. If line 7 is more than zero, go to line 11. Otherwise, skip line 11 and go to line 12.

11. Is your gross income** more than the amount shown below for your filing status?
 • Single or married filing separately – \$8,950
 • Married filing jointly – \$17,900
 • Head of household – \$11,500
 • Qualifying widow(er) – \$14,400
 No. Go to line 12.
 Yes. Skip lines 12 through 18 and go to line 19.

12. Enter the amount from Form 1040, line 20a **12.** _____

13. Enter the amount of any nontaxable veterans' disability or death benefits you received in 2008 **13.** _____

14. Are you filing Form 8812?
 Yes. Skip line 15. Enter on line 16 the amount from Form 8812, line 4a.
 No. Go to line 15.

15. Are you filing Form 2555 or 2555-EZ to exclude foreign earned income, **or** using one of the optional methods to figure your net earnings from self-employment on Schedule SE, **or** are you a church employee or member of the clergy?
 Yes. Fill out the Earned Income Worksheet on page 8 of Pub. 972 and enter on line 16 the amount from line 8 of that worksheet.
 No. Go to line 16.

16. **Earned income.** If you did not already enter an amount on this line as instructed on line 14 or 15, complete Worksheet B on page 49 through line 4b. Enter the amount from Worksheet B, line 4b (If you had nontaxable combat pay, be sure to include it on this line even if you did not include it in earned income for the earned income credit. Also include it on Form 1040, line 64b) **16.** _____

17. **Qualifying income.** Add lines 12, 13, and 16 **17.** _____

18. Is line 17 at least \$3,000?
 No. Skip lines 19 through 21 and enter the amount from line 9 on line 22.
 Yes. Go to line 19.

19. Enter \$300 (\$600 if married filing jointly) **19.** _____

20. Enter the larger of line 9 or line 19 **20.** _____

21. Multiply \$300 by the number of qualifying children for whom you entered a valid social security number* on Form 1040, line 6c, column (2), and either checked the box on Form 1040, line 6c, column (4), or completed Form 8901 **21.** _____

22. Add lines 20 and 21 **22.** _____

23. Enter the amount from Form 1040, line 38 **23.** _____

24. Enter \$75,000 (\$150,000 if married filing jointly) **24.** _____

25. Is the amount on line 23 more than the amount on line 24?
 No. Skip line 26. Enter the amount from line 22 on line 27 below.
 Yes. Subtract line 24 from line 23 **25.** _____

26. Multiply line 25 by 5% (.05) **26.** _____

27. Subtract line 26 from line 22. If zero or less, enter -0-. **27.** _____

28. Enter the amount, if any, of the economic stimulus payment you received (before offset) as shown on Notice 1378. If filing a joint return, include your spouse's payment. If you filed a joint return for 2007 and received an economic stimulus payment, you and your spouse are each treated as having received half of the payment **28.** _____

29. **Recovery rebate credit.** Subtract line 28 from line 27. If zero or less, enter -0-. Enter the result here and, if more than zero, on Form 1040, line 70. If you entered an amount on line 13 above, enter "VA" on the dotted line to the left of Form 1040, line 70. If line 28 is more than line 27, you do not have to pay back the difference **29.** _____

*A valid social security number is not required for a qualifying child if you filed a joint return AND either you or your spouse was a member of the U.S. Armed Forces at any time during 2008.

Your gross income includes the total of the following amounts: Form 1040, lines 7, 8a, 9a, 10, 11, 15b, 16b, 19, 20b, and 21 (excluding any negative amounts); Schedule C, line 7; Schedule C-EZ, line 1; Schedule E, lines 3 and 4; Schedule F, line 11; Form 4835, line 7; Schedule K-1 (Form 1065), box 14, codes B and C; Schedule K-1 (Form 1065-B), box 9, code K-2; Schedule K-1 (Form 1120S), box 14, code B. But **do not include on this line any amount for which you claimed the foreign earned income exclusion or the housing exclusion on Form 2555 or 2555-EZ.

Your gross income also includes all gains from Schedule D, lines 1 and 8; Schedule D-1, lines 1 and 8; Form 4684, line 14, and column (c) of lines 29 and 34; Form 4797, lines 2, 10, and 30; Form 6252, lines 24 and 35; Form 6781, lines 1 and 12; Form 8824, lines 14, 23, 35, and 36; and Form 2439, line 1a. But subtract from this total any section 1202 exclusion, any section 1045 or section 1397B rollover, any exclusion of gain from DC Zone assets or qualified community assets, and any section 121 exclusion shown on Schedule D or Form 4797.