

# Publication 4808



Use the EITC Assistant to determine if you are eligible for EITC and determine your estimated credit amount.

Life's a little easier with  **eitc**  
[www.irs.gov/eitc](http://www.irs.gov/eitc) earned income tax credit



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# **Disability and EITC**

Many persons with disabilities or persons having children with disabilities qualify for the Earned Income Tax Credit (EITC).

Four out of five eligible taxpayers apply for and receive their EITC. Be one of the four who get it. Learn more about EITC to find out if you qualify for this important financial boost. And, remember even if you owe no tax you must file a tax return to claim EITC.

**Find out if you qualify for EITC.**

## **EITC and other Public Benefits**

Refunds received from Earned Income Tax Credit (EITC), Child Tax Credit (CTC) or any other tax credit are not considered income for any federal or federally funded public benefit program. This includes food stamps, most TANF (Temporary Assistance for Needy Families) payments, Medicaid, SSI (Supplemental Security Income), low income housing and other Federal and state assistance programs.

If you save your tax refund or credit for more than 12 months, contact your state, tribal or local government benefit coordinator to find out if your benefits count as assets.

### **Did you know?**

If you retired on disability, we consider the taxable benefits you received under your

employer's disability retirement plan earned income for the purposes of the EITC until you reach minimum retirement age. The minimum retirement age is the earliest age at which you could have received a pension or annuity if you weren't disabled. You may claim a relative of any age as your qualifying child if the person is totally and permanently disabled and your relative and you meet all other EITC requirements.

The tax law definition of totally and permanently disabled is:

- The person can't perform significant duties over a reasonable period of time while working for pay or profit in a competitive work situation for at least the minimum wage because of a physical or mental condition.
- A physician determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death.

## **What does this mean to you?**

**Example 1:** You retired last year because of a disability and received \$12,000 in retirement benefits. You are 42 years old and worked for your company for 15 years. The earliest age your company pays retirement benefits is 55 years old with 30 years of service. If you meet all the other EITC requirements, you can use your disability retirement benefits as earned income and claim EITC.

**Example 2:** You have a relative with a disability who is 35 years old who earned \$3,200 working in a supported employment program. Your relative who was never married was born with a developmental disability and lived with you in the United States for the full year. This relative could be your qualifying child for EITC.

**Find out if you qualify!**

## For Example

David wants to claim his son Charlie for EITC. David earned \$14,500 and had no other income. Charlie is 35 years old, was never married and his father says he is disabled. Charlie lived with his father in the U.S. for the full year and no one else lived in the home. Charlie's mother is deceased. Both have valid Social Security numbers. Charlie worked for part of the year and earned \$5,200.

What do we need to know to find out if David qualifies for EITC?

- Is Charlie able to work?
- Has a doctor determined Charlie is disabled?
- Did the doctor say how long Charlie's disability will last?
- Can David get a statement from Charlie's doctor about his disability?

**Take 1** We find out Charlie had an accident last May and sustained a disability from his injuries. His doctor said he is totally and permanently disabled, not able to work and the doctor does not expect Charlie to recover.

**David can claim EITC using Charlie as his qualifying child because his doctor determined he cannot work because of his disability and his disability will last longer than a year.**

**Take 2** We find out Charlie had an accident last May and sustained a disability from his injuries. Charlie's recovery is good and his doctor expects him to return to work this coming March.

**Charlie is not David's qualifying child because his disability is not expected to last a full year.**