

## IRM PROCEDURAL UPDATE

**DATE: 01/19/2023**

**NUMBER: wi-04-0123-0129**

**SUBJECT: Valid Social Security Number (SSN) for the Earned Income Tax Credit (EITC)**

**AFFECTED IRM(s)/SUBSECTION(s): 4.19.14.6**

**IRM 4.19.14.6(5) Evaluating EITC Taxpayer Responses - Added language to paragraph (5) to clarify that a taxpayers demonstration of eligibility for a new SSN card is to be considered in the determination of a valid SSN for the EITC.**

5. The Internal Revenue Code requires a taxpayer (both spouses in the case of a joint return) to have a **valid** social security number (SSN) issued by the Social Security Administration (SSA) on or before the due date of the tax return (with extensions) to claim the EITC. Any qualifying child listed on Schedule EIC (and claimed for CTC) must also have a valid SSN issued on or before the due date of the return in order to qualify the taxpayer for the higher amount of EITC. If the qualifying child meets all requirements but does not have a valid SSN, the taxpayer still qualifies for the EITC (e.g., unmarried taxpayer is 19 years old and has one QC without a valid SSN; taxpayer is eligible for the EITC without a QC). Check INOLES for the Taxpayer Identification Number (TIN) assignment date to assist with determining the issuance date of the SSN.

<b>DDBKD Citizen Indicator</b>	<b>Description</b>
A	U.S. Citizen
B	Alien allowed to work
C	Alien not allowed to work
D	Other alien
E	Alien Student —Restricted Work Authorized
F	Conditionally Legalized Alien, status not shown

**If the Citizenship Indicator is not an A or B, continue researching to determine if the taxpayer is entitled to EITC based on a "Valid for Work" Social Security number.**

**NOTE: "VALID FOR WORK ONLY WITH DEPARTMENT OF HOMELAND SECURITY (DHS) AUTHORIZATION"**

Social Security cards are issued to people lawfully admitted to the United States on a temporary basis who have DHS authorization to work. Once the

DHS authorization has expired, the SSN is no longer valid. Without a valid SSN, a taxpayer cannot claim the EITC.

- "Not Valid for Employment" Social Security cards are issued to two groups of aliens: (1) lawfully admitted aliens who are not permitted to work in the United States, but who need an SSN for a reason unrelated to work, and (2) aliens who are not lawfully admitted to the United States, but who need an SSN to obtain a benefit that is paid for in part or in full with federal funds.
- When analyzing an EITC claim, check the Social Security Cards for the primary and secondary taxpayers, as well as qualifying children listed on Schedule EIC, for the words *Not Valid for Employment*. If these words appear on any of the applicable Social Security cards, you will need to find out whether the card holder became a citizen or permanent resident by the due date of the return, including extensions. Refer to Exhibit 4.19.14-1 for evidence of Citizenship. If the cardholder was either a citizen or resident by the due date of the return, including extensions, they are entitled to receive a Social Security card without the legend (same number, but no legend) and has a valid SSN for the EITC. The cardholder may already have the new card. If the cardholder's immigration status has not changed, you will need to find out whether the cardholder received the SSN to obtain a federally funded benefit, or for another reason. *Take the following actions:* Contact the taxpayer to find out whether the cardholder was a citizen or permanent resident of the United States by the due date of the return. If the cardholder is a citizen or permanent resident, ask the taxpayer to furnish a new Social Security card without the legend. The issuance date printed on the social security card may not be the date that the SSN was assigned to the cardholder. If the taxpayer provides a new SSN card without a legend that has an issuance date after the due date of the return, the taxpayer may still have a valid SSN for the EITC as long as the taxpayer was eligible for the new card (based on a change in immigration status) by the due date of the return. Follow the table below, and refer to IRM 4.19.13.4(4), Researching Cases, for additional guidance in determining the effective date of the issuance of the SSN.

<b>If</b>	<b>and</b>	<b>Then</b>
The cardholder is now a citizen or permanent resident	A new Social Security Card without the legend is furnished by the taxpayer and the issuance date printed on the card is on or before the return due date, including extensions	The SSN is a valid SSN for the EITC
The cardholder is now a citizen or permanent resident	The cardholder does not furnish a new Social Security Card without the legend or furnishes a card with an issuance date after the return due date, including extensions, but the cardholder shows that they were a citizen or permanent	The SSN is a valid SSN for the EITC

	resident by the due date of the return, including extensions	
The cardholder's immigration status has not changed	Taxpayer states the reason for needing an SSN and it is other than to obtain a federally funded benefit	The SSN is a valid SSN for the EITC
The cardholder's immigration status has not changed	The taxpayer is unable to furnish a reason for needing an SSN other than to obtain a federally funded benefit	The SSN is a valid SSN but not valid for the EITC

**NOTE:** If the taxpayer (and spouse if any) and one qualifying child have valid SSNs for the EITC, but the second qualifying child does not, allow the EITC for a taxpayer with one qualifying child. If the taxpayer has only one qualifying child, and that child does not have a valid SSN, allow the self-only EITC amount.

**NOTE:** Before 1996, the taxpayer or child might have needed an SSN for tax purposes, and the SSN might have been obtained at an embassy. Before 2002, the taxpayer or an older child might have needed an SSN to get a driver's license or to register a vehicle in certain states.

**NOTE:** A common reason for getting a Social Security card may be for Medicaid benefits. These SSNs are issued to obtain a federally funded benefit.

**NOTE:** Starting in tax year 2009, the uniform definition of a child for EITC changed. The taxpayer must now be older than the qualifying child unless the child is disabled.