

Earned Income Credit Advance Payment Certificate

1993

Instructions

Purpose

Use Form W-5 if you expect to be able to claim the earned income credit (EIC) for 1993 and want to get part of it in advance with your pay. If you choose not to get advance payments, you can still claim the EIC on your 1993 Form 1040A or Form 1040.

What Is the EIC?

The EIC is a tax credit for certain workers who have a qualifying child (defined later). The credit has three parts: basic credit, extra credit for child born in 1993, and health insurance credit. For 1993, the basic EIC can be as much as \$1,434 (\$1,511 if you have more than one qualifying child).

Who May Be Able To Claim the EIC?

To find out if you may be able to claim the EIC for 1993, answer the questions on page 2.

Note: If you expect to file **Form 2555**, *Foreign Earned Income*, or **Form 2555-EZ**, *Foreign Earned Income Exclusion*, for 1993, you **cannot** claim the EIC.

How Do I Get Advance Payment of the EIC?

If you expect to be able to claim the EIC for 1993 and you want to get up to \$1,434 of the basic credit in advance with your pay, fill in the Form W-5 at the bottom of this page. Then, detach it and give it to your employer.

If you get advance payments, you **must** file a 1993 Form 1040A or Form 1040.

You may have only **one** Form W-5 in effect with a current employer at one time. If you and your spouse are both employed, each of you should file a separate Form W-5.

This Form W-5 expires on December 31, 1993. If you expect to be able to claim the EIC for 1994, you must file a new Form W-5 next year.

Note: You may be able to get a larger credit when you file your 1993 return. For details, see **Additional Credit** on page 2.

Who Is a Qualifying Child?

Any child who meets **all three** of the following conditions is a **qualifying child**:

1. The child is your son, daughter, adopted child, stepchild, foster child, or a descendant (for example, your grandchild) of your son, daughter, or adopted child.

Note: An **adopted child** includes a child placed with you by an authorized placement agency for legal adoption even if the adoption isn't final. A **foster child** is any child you cared for as your own child.

2. The child is under age 19 or a full-time student under age 24 at the end of 1993, or is permanently and totally disabled.

3. The child either lives with you in the United States for more than 6 months during 1993 (for all of 1993 if a foster child) OR was born, or died, in 1993

and your home was the child's home while he or she was alive.

Note: *Temporary absences such as for school, medical care, or vacation count as time lived with you.*

Married Child.—If the child is married at the end of 1993, the child is a qualifying child only if you may claim the child as your dependent or the **Exception** below applies to you.

Exception. The child is a qualifying child if you are the custodial parent and would be able to claim the child as your dependent but the noncustodial parent claims the child as a dependent because—

- You signed **Form 8332**, Release of Claim to Exemption for Child of Divorced or Separated Parents, or a similar statement, agreeing not to claim the child for 1993, or
- You have a pre-1985 divorce decree or separation agreement that allows the noncustodial parent to claim the child and he or she gives at least \$600 for the child's support in 1993.

Qualifying Child of More Than One Person.—If the child is a qualifying child of more than one person, only the person with the **highest** adjusted gross income for 1993 may treat that child as a qualifying child. If the other person is your spouse and you expect to file a joint return for 1993, this rule doesn't apply.

Reminder.— You must usually get a social security number for a qualifying child born before 1993.

(Continued on page 2)

▼ Give the lower part to your employer; keep the top part for your records. ▼
----- Detach along this line -----

Type or print your full name

Earned Income Credit Advance Payment Certificate

► **This certificate expires on December 31, 1993.**

OMB No. 1545-1342

1993

Your social security number

Note: If you get advance payments of the earned income credit for 1993, you **must** file a 1993 Form 1040A or Form 1040. To get advance payments, your filing status must be any status **except** married filing a separate return.

	Yes	No
1 I expect to be able to claim the earned income credit for 1993, I do not have another Form W-5 in effect with any other current employer, and I choose to get advance payment of the earned income credit		
2 Are you married?		
3 If you are married, does your spouse have a Form W-5 in effect for 1993 with any employer?		

Under penalties of perjury, I declare that the information I have furnished above is, to the best of my knowledge, true, correct, and complete.

Signature ►

Date ►

Questions To See If You May Be Able To Claim the EIC for 1993

	Yes	No
<p>1 Do you expect your 1993 filing status to be Single, Married filing a joint return, Head of household, or Qualifying widow(er) with dependent child?</p> <p>Note: <i>If you expect your 1993 filing status to be Married filing a separate return, you cannot claim the EIC.</i></p>		
<p>2 Do you expect that your 1993 earned income and adjusted gross income will each be less than \$23,050 (including your spouse's income if you file a joint return)?</p> <p>TIP: To find out what is included in adjusted gross income, you can look at page 1 of your 1992 Form 1040EZ, Form 1040A, or Form 1040.</p> <ul style="list-style-type: none"> • If you answered No to either of the above questions, stop here. You cannot claim the EIC. • If you answered Yes to both of the above questions, first read Who Is A Qualifying Child? on page 1. Then, answer question 3 below. 		
<p>3 Do you have a qualifying child? If the child is married, be sure you read Married Child on page 1 before you answer this question</p> <ul style="list-style-type: none"> • If you answered No, stop here. You cannot claim the EIC. • If you answered Yes, continue. <p>Caution: <i>If the child is a qualifying child for both you and another person, the child is your qualifying child only if you expect your 1993 adjusted gross income to be higher than the other person's adjusted gross income. If the other person is your spouse and you expect to file a joint return for 1993, this rule doesn't apply.</i></p>		
<p>4 Do you expect to be a qualifying child of another person for 1993?</p> <ul style="list-style-type: none"> • If you answered No, you may be able to claim the EIC. • If you answered Yes, you cannot claim the EIC. 		

(Instructions continued)

What If My Situation Changes?

If your situation changes in 1993 after you give Form W-5 to your present employer, you usually will have to file a new Form W-5. For example, you should file a new Form W-5 if any of the following applies:

- Your situation changes so that your answer to question 1, 2, or 3 above becomes "No," or your answer to question 4 becomes "Yes." On line 1 of your new Form W-5, check the "No" box.
- You no longer want to get advance payments. On line 1 of your new Form W-5, check the "No" box.
- Your spouse files Form W-5 with his or her employer. On line 3 of your new Form W-5, check the "Yes" box.

Note: *If you get the EIC in advance with your pay and later find out that you are not eligible, you must pay it back when you file your 1993 Federal income tax return.*

**Additional Information
How To Claim the EIC**

Fill in and attach **Schedule EIC** to your 1993 Form 1040 or Form 1040A. In addition to other information, the social security number of your qualifying child born before 1993 must generally be shown on Schedule EIC.

Additional Credit

You may be able to claim a larger credit when you file your 1993 tax return if you have more than one qualifying child, have a qualifying child born in 1993, or pay for health insurance in 1993 that covers a qualifying child. But you cannot receive an advance payment for the additional credit. Instead, you must file a 1993 tax return to claim it.

Privacy Act and Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. Internal Revenue Code sections 3507 and 6109 and their regulations require you to provide the information requested

on Form W-5 and give the form to your employer if you want advance payment of the EIC. As provided by law, we may give the information to the Department of Justice and other federal agencies. In addition, we may give it to cities, states, and the District of Columbia so they may carry out their tax laws.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 7 min.; **Learning about the law or the form**, 8 min.; and **Preparing the form**, 49 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP, and the **Office of Management and Budget**, Paperwork Reduction Project (1545-1342), Washington, DC 20503. **DO NOT** send this form to either of these offices. Instead, give it to your employer.