

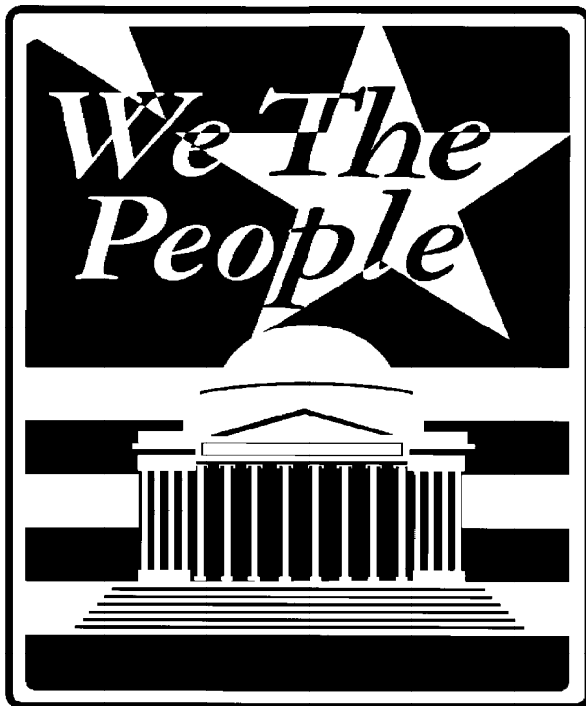


Department of the Treasury
Internal Revenue Service

Publication 596
Cat. No. 15173A

Earned Income Credit

For use in preparing
1994 Returns



Contents

Part I. Persons With a Qualifying Child	4
Who May Take the Credit?	4
Social Security Number	5
Who Is a Qualifying Child?	5
What Is Earned Income?	7
How To Figure the Credit	11
How To Claim the Credit	11
IRS Will Figure Your Credit for You	12
How To Figure the Credit Yourself	12
Part II. Persons Without a Qualifying Child	20
Who May Take the Credit	20
What Is Earned Income	21
How To Figure the Credit	25
How To Claim the Credit	25
IRS Will Figure Your Credit for You	25
How To Figure the Credit Yourself	26
Part III. Advance Earned Income Credit Payments	31
Eligibility Checklist	37
Earned Income Credit Tax Table	38

Important Changes for 1994

Health insurance credit and the extra credit for a child born during the year. These credits are no longer available.

Child and dependent care credit. You may be entitled to the child and dependent care credit in addition to the earned income credit in 1994. See Publication 503, *Child and Dependent Care Expenses*, for more information.

More people may get the earned income credit. The earned income credit has expanded to include some persons who work, earn under \$9,000, and do not have a child or a qualifying child. The credit could be as much as \$306. See *Part II. Persons Without a Qualifying Child* to see if you can get this credit.

Increased earned income credit amount. If you have one qualifying child, the maximum credit you could get has increased from \$1,434 in 1993 to \$2,038 in 1994. If you have two or more qualifying children, the maximum credit you could get has increased from \$1,511 in 1993 to \$2,528 in 1994. To see if you can get this credit, go to *Part I. Persons With a Qualifying Child*.

Increased amount you can earn. The amount of income you can earn and still get the credit has increased. If you have one qualifying child, you can earn less than \$23,755. If you have two or more qualifying children, you can earn less than \$25,296.

Form 1040EZ. Beginning with your 1994 tax return, if you do not have a qualifying child, you can use Form 1040EZ to claim the credit. See *How To Claim the Credit* on page 25.

Schedule EIC and the Earned Income Credit Worksheet (EIC Worksheet). Beginning in 1994, not everyone who claims the credit has to fill out Schedule EIC, *Earned Income Credit (Qualifying Child Information)*. Only persons who have a qualifying child must fill out Schedule EIC and attach it to Form 1040 or Form 1040A. Schedule EIC contains only information about qualifying children. Do not use Schedule EIC to figure the credit.

The Internal Revenue Service can figure the credit for you. If you want to figure the credit yourself, you must use the EIC Worksheet to figure the amount of the credit. The Worksheet can be found in the instructions for Form 1040, 1040A, or 1040EZ. Do not attach the Worksheet to your tax return. Instead, keep it with your tax records. You can use the Worksheet when you file Form 1040, 1040A, or 1040EZ.

Pending legislation. As this publication was being prepared for print, Congress was considering changes to the tax law that could affect items on your 1994 and 1995 income tax returns.

Beginning in **1994**, this legislation would deny the earned income credit based on income earned by an inmate at a penal institution.

Beginning in **1995**, this legislation would:

- Deny the earned income credit to certain nonresident aliens.
- Make U.S. military personnel stationed outside the U.S. eligible for the earned income credit and the advance payment of the earned income credit.
- Require you to list on your 1995 federal tax return, the social security number for any person born before November 1, 1995, for whom you are claiming a dependency exemption or the earned income credit.

See Publication 553, *Highlights of 1994 Tax Changes*, for any further developments regarding this pending legislation.

Important Reminders

Advance payment of the earned income credit in your paycheck. If you qualify for the earned income credit, you can receive part of it in each paycheck throughout the year. See *Part III. Advance Earned Income Credit Payments*, for more information.

Social security number. You **must** provide a correct and valid social security number (SSN) for each person listed on your tax return who is age 1 or older at the end of your tax year (usually December 31). The processing of your tax return will be delayed if the social security

number is missing or incorrect. See *Social Security Number* on page 5 for more information.

Credit has no effect on certain welfare benefits. The earned income credit and the advance earned income credit payments you receive will not be used to determine whether you are eligible for the following benefit programs, or how much you can receive from the programs:

- Aid to Families With Dependent Children (AFDC),
- Medicaid,
- Supplemental Security Income (SSI),
- Food stamps, and
- Low-income housing.

Introduction

The earned income credit is a special credit for certain persons who work. The credit reduces the amount of tax you owe (if any) and is intended to offset some of the increases in living expenses and social security taxes.

This publication is divided into three parts. In order to know which part you should read, you need to know if you have a qualifying child.

Do you have a qualifying child? Basically, a qualifying child is a child who:

- 1) Is your son, daughter, adopted child, grandchild, stepchild, or eligible foster child, **and**
- 2) Was (at the end of 1994) under age 19, under age 24 and a full-time student, or permanently and totally disabled at any age during the year, **and**
- 3) Lived with you in the United States for more than half of 1994 (for all of 1994 if the child is your eligible foster child).

See *Who Is a Qualifying Child?* on page 5 for further information.

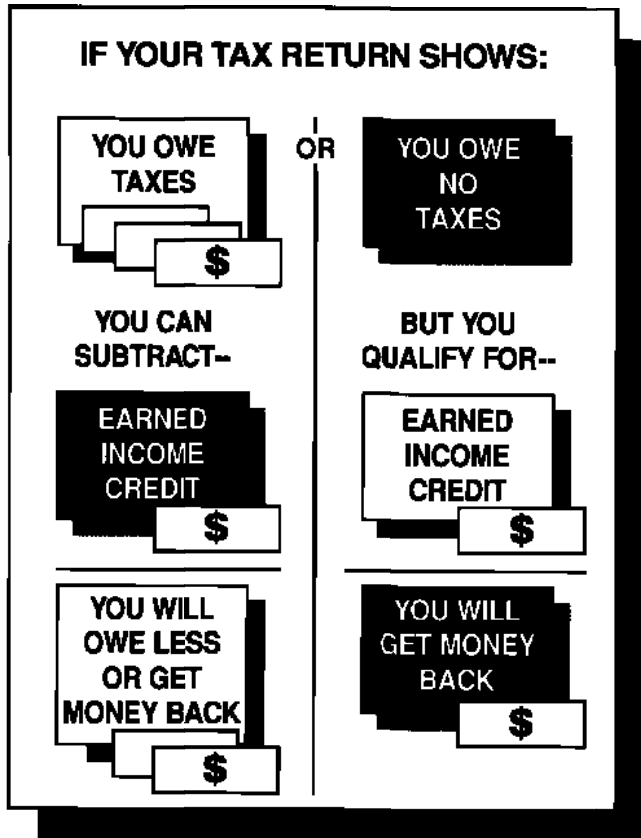
Which part of the publication is for you? After you have decided if you have a qualifying child, go to the part of this publication that applies to you:

- **Part I. Persons With a Qualifying Child** on page 4
- **Part II. Persons Without a Qualifying Child** on page 20
- **Part III. Advance Earned Income Credit Payments** on page 31

Each Part will contain all the information you need to get the credit. Go to the Part that applies to you. Read:

- **Part I** if you earned less than \$23,755 and had a qualifying child living with you in 1994.
- **Part I** if you earned less than \$25,296 and had more than one qualifying child living with you in 1994.

- **Part II** if you earned less than \$9,000 and did not have a child or a qualifying child in 1994.
- **Part III** if you want to know more about getting part of the earned income credit in your pay **NOW** instead of waiting for the entire credit after filing your tax return.



How Do I Get This Credit? To get the credit you must:

- 1) File a tax return—even if
 - You do not owe any tax, or
 - You did not earn enough money to file a return.
- 2) Meet certain rules. These rules are explained in Part I (page 4) or Part II (page 20) under *Who May Take the Credit?*
- 3) Fill out the EIC Worksheet to figure the credit amount and where to enter it on Forms 1040, 1040A, or 1040EZ. Fill out Schedule EIC and attach it to Form 1040 or 1040A only if you have a qualifying child.
- 4) **An easier way**—Let the Internal Revenue Service figure the credit for you. See *IRS Will Figure Your Credit for You* on page 12 or 25.

Ordering publications and forms. To order free publications and forms, call our toll-free telephone number

1-800-TAX-FORM (1-800-829-3676). If you have access to TDD equipment, you can call 1-800-829-4059. See your tax package for the hours of operation. You can also write to the IRS Forms Distribution Center nearest you. Check your income tax package for the address.

Asking tax questions. You can call the IRS with your tax question Monday through Friday during regular business hours. Check your telephone book or your tax package for the local number or you can call toll-free 1-800-829-1040 (1-800-829-4059 for TDD users).

Part I. Persons With a Qualifying Child

If you do not have a child or a qualifying child, go to *Part II. Persons Without a Qualifying Child* on page 20. If you do not know if your child is a qualifying child, see *Who Is a Qualifying Child* on page 5.

Once you determine that your child is a qualifying child, then read this section to see if you meet the other rules to get the credit.

In this section, the amount of credit you get depends on how many qualifying children you have. You could get up to \$2,038 if you have one qualifying child or up to \$2,528 if you have more than one qualifying child.

Who May Take the Credit?

In order to take the earned income credit, you must meet **all** the following rules:

- 1) You must have a qualifying child who lived with you in the United States for more than half the year (the whole year for an eligible foster child). See *Birth or death of a child* on page 6 and *Social Security Number* on page 5 for more information.
- 2) You must have earned income during the year.
- 3) Your earned income and adjusted gross income must each be less than:
 - \$23,755 if you have one qualifying child, or
 - \$25,296 if you have more than one qualifying child
- 4) Your return must cover a 12-month period. This does not apply if you file a short period return because of an individual's death.
- 5) Your filing status can be any filing status **EXCEPT** married filing a separate return. See *Married persons* on page 5 for an exception.
- 6) You cannot be a qualifying child of another person.
- 7) Your qualifying child cannot be the qualifying child of another person whose adjusted gross income is more than yours.
- 8) You usually must claim a qualifying child who is married as a dependent. See *Qualifying child who is married*, on page 5 for an exception.

A Qualifying Child Must Meet Three Tests:

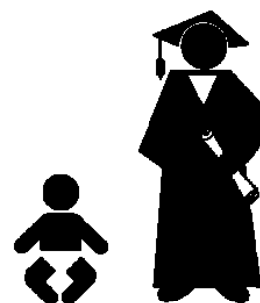
1. Relationship



2. Residency



3. Age



9) You are not filing Form 2555, *Foreign Earned Income*, (or Form 2555-EZ, *Foreign Earned Income Exclusion*). These forms are filed to exclude from your gross income any income earned in foreign countries, or to deduct or exclude a foreign housing amount. U.S. possessions are not foreign countries. See Publication 54, *Tax Guide for U.S. Citizens and Resident Aliens Abroad*, for more information.

Important note. If you meet **all** these rules, fill out Schedule EIC and attach it to either Form 1040 or Form 1040A. Also complete the EIC Worksheet to figure the amount of your credit. If you **do not** meet **all** these rules, enter "NO" next to line 56, Form 1040 (or next to line 28c, Form 1040A). If you have a qualifying child, you cannot file Form 1040EZ.

Social Security Number

You must provide a correct and valid social security number (SSN) for each person listed on your tax return age 1 or older at the end of your tax year (usually December 31). Enter the SSN for your qualifying child on Schedule EIC, line 4. If your qualifying child is also your dependent, enter the SSN on Schedule EIC, line 4, and on line 6c of Form 1040 or 1040A.

If you or your child does not have an SSN, apply for one by filing **Form SS-5** with your Social Security Administration. It takes approximately two weeks to receive an SSN.

Refund could be delayed. If you do not provide correct and valid social security numbers, the processing of your return will be delayed.

If the filing deadline is approaching and you still do not have an SSN, you have two choices:

- 1) Request an automatic extension (Form 4868) to August 15. This extension does not give you extra time

to pay any tax owed. You should pay any amount you expect to owe to avoid interest or penalty charges (see the instructions for Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*), or

- 2) File the return on time, without Schedule EIC; then file an amended return (Form 1040X) after receiving the SSN.

Married persons. Married persons living apart usually must file a joint return to claim the earned income credit. Even though you are married, you may file as head of household and claim the credit on your return if:

- 1) Your spouse did not live in your home at any time during the last 6 months of the year,
- 2) You paid more than half the cost to keep up your home for the entire year, and
- 3) Your home was, for more than half the year, the main home of your child, stepchild, adopted child, or foster child. You also must be entitled to claim an exemption for your child.

You will meet (3) even if you cannot claim an exemption for your child because:

- You released your claim in writing to the other parent by filling out **Form 8332**, *Release of Claim to Exemption for Child of Divorced or Separated Parents*, or
- There is a pre-1985 agreement (decree of divorce or separate maintenance or written agreement) granting the exemption to your child's other parent.

Who Is a Qualifying Child?

You have a qualifying child if your child meets three tests. They are:

- 1) Relationship,
- 2) Residency, and

3) Age.

Each test has separate rules. The three tests are explained next, one at a time.

Important note. Your qualifying child does not necessarily have to be your dependent. See *Qualifying child who is married* under 1. *Relationship Test*.

If your child does not meet all three tests, then you cannot claim the credit for persons with a qualifying child. However, you might qualify for the credit if you do not have a child or a qualifying child and your earned income is under \$9,000. See *Part II. Persons Without a Qualifying Child* for more information.

If you cannot claim the credit, then enter “NO” next to line 56, Form 1040 (or next to line 28c, Form 1040A).

1. Relationship Test

To meet the relationship test, the child must be your:

- Son, daughter, or adopted child (or a descendant of your son, daughter, or adopted child—for example, your grandchild),
- Stepson or stepdaughter, or
- Eligible foster child (this could include a niece, nephew, brother, sister, cousin, etc.).

Adopted child. Your adopted child includes a child placed with you for adoption by an authorized placement agency.

Eligible foster child. For purposes of the earned income credit, a person is your eligible foster child if:

- 1) The child lived with you and was a member of your household for the **whole** year, **and**
- 2) You cared for that child as you would your own child.

As long as both (1) and (2) are met, any person can be your “eligible foster child.” The eligible foster child does not necessarily have to be related to you.

Qualifying child who is married. You generally **must** claim as a dependent your married qualifying child. If you cannot claim your married qualifying child as a dependent, you may still get the earned income credit if you meet either of the following:

- 1) You cannot claim your child as a dependent because you gave that right to your child’s other parent by filling out **Form 8332**, or
- 2) You cannot claim your child as a dependent because you gave that right to your child’s other parent in a pre-1985 agreement (such as a separation agreement or divorce decree).

If you meet either (1) or (2), you could claim the credit. If you need more information about either of these statements and when you can claim your child as a dependent, see Publication 501, *Exemptions, Standard Deduction, and Filing Information* or Publication 504, *Divorced or Separated Individuals*.

2. Residency Test

To meet the residency test, there are two rules:

- 1) You must have a child who lived with you for more than half the year (the whole year if your child is an eligible foster child), and
- 2) The home must be in the United States (one of the 50 states or the District of Columbia).

To meet the residency test, you do not need a traditional home. For example, if your child lived with you for more than half the year in a homeless shelter, the residency test is met.

Birth or death of a child. You will meet the rule for a child living with you for more than half the year if:

- The child was alive for half the year or less during the year, **and**
- The child lived with you for the part of the year he or she was alive.

If your qualifying child is an eligible foster child, you will meet the rule for a child living with you for the whole year if:

- The child was born or died during the year, **and**
- The child lived with you for the part of 1994 year he or she was alive.

Temporary absences. You will meet the residency test if you or the qualifying child is away from home on a temporary absence due to a special circumstance. Examples of a special circumstance include:

- Illness,
- Attending school,
- Business,
- Vacation, or
- Military service.

Military personnel. See Publication 3, *Tax Information for Military Personnel (Including Reservists Called to Active Duty)*, for more information and examples on claiming the earned income credit.

3. Age Test

To meet the age test, your child must meet one of three rules.

- 1) The child must be under age 19 at the end of the year,
- 2) The child must be a full-time student under age 24 at the end of the year, or

- 3) The child must be permanently and totally disabled at any time during the tax year, regardless of age.

Full-time student. Your child is a full-time student if he or she:

- Was enrolled as a student at a school during any 5 months of 1994 for the number of hours or classes that the school considers to be full time, or
- Took a full-time, on-farm training course during any 5 months of 1994. The course had to be given by a school or a state, county, or local government agency.

School. A school includes technical, trade, and mechanical schools. It does not include on-the-job training courses or correspondence schools.

Permanently and totally disabled. Your child is permanently and totally disabled during the tax year if he or she cannot engage in any substantial gainful activity because of his or her physical or mental condition. The condition must have lasted or be expected to last continuously for 12 months or more, or to result in death.

Other Rules for a Qualifying Child

The next two items explain what happens if:

- 1) You are a qualifying child of another person, and
- 2) You and someone else have the same qualifying child.

1. Qualifying child of another person. If you are a qualifying child of another person, then you cannot claim the earned income credit—no matter how many qualifying children you have.

Example. In 1994, you and your daughter lived with your mother. You are 22 years old and attended beauty school full time. You had a part-time job and earned \$5,700. You had no other income. Your mother worked and earned \$16,000.

Your daughter is your qualifying child. Your mother meets all the rules for the earned income credit. Both you and your daughter are qualifying children of your mother.

You cannot take the earned income credit in 1994 because you are your mother's qualifying child.

2. Qualifying child for more than one person. If you and someone else have the same qualifying child, then only the person with the higher adjusted gross income may be able to take the credit. This is true even if the person with the higher adjusted gross income does not meet all the rules (page 4) to claim the credit. Adjusted gross income is the amount on Form 1040, line 31, or Form 1040A, line 16.

Example 1. You and your son lived with your mother in 1994. You are 25 years old. Your only income was \$9,100 from a part-time job. Your mother's only income was \$15,000 from her job.

Your son is a qualifying child for both you and your mother. However, because you both have the same qualifying child, only one of you can take the credit. Because your mother's adjusted gross income (\$15,000) is more than your adjusted gross income (\$9,100), only your mother can take the earned income credit in 1994. You cannot take the credit in 1994.

Example 2. Use the same facts from *Example 1*, except that your mother's adjusted gross income is now \$26,000.

Your mother cannot take the earned income credit because her adjusted gross income is more than \$23,755. Even though your mother cannot take the earned income credit, you cannot take the credit either, because your mother's adjusted gross income is more than yours.

Example 3. You and your sister shared a household for all of 1994. You have 3 young children who lived in the household all year. Your sister does not have any children. However, she cares for your children as if they were her own. You earn \$12,000 and she earns \$13,000.

The children meet the age and residency tests for both you and your sister. They meet the relationship test for you because they are your children. They also meet the relationship test for your sister because they lived with her in the same household for the whole year. She cared for them as if they were her own. Therefore, they qualify as her eligible foster children.

Your children are qualifying children for both you and your sister. However, because your sister's adjusted gross income is higher than yours, she is the only one who can take the credit.

Who can claim a dependency exemption for the children is generally not an issue (in this case) when claiming the earned income credit.

Remember— Schedule EIC has spaces to enter the names of only 2 children. In this example there are 3 children. You cannot split the qualifying children. Your sister's higher adjusted gross income entitles her to the credit for the children even though only 2 names appear on Schedule EIC.

Example 4. You, your spouse, and your son lived together until July 1994, when your spouse moved out of the household. In November 1994, you and your spouse were divorced. Your earned income and adjusted gross income were \$13,000. Your former spouse's earned income and adjusted gross income were \$15,000. Your son is a qualifying child for both you and your former spouse, because your son lived with each of you for more than half the year. However, because your former spouse's adjusted gross income (\$15,000) was more than your adjusted gross income (\$13,000), only your former spouse can take the earned income credit in 1994. You cannot take the credit in 1994.

Important note. If the other person is your spouse and you file a joint return, this rule does not apply.

There Are Two Ways To Get Earned Income. You Must Work:

1)

**For Someone
Who Pays You**



or

2)

**In A Business
You Own**



- Line 4 of the EIC Worksheet in the Form 1040 instructions and enter the type and amount in the spaces on line 56, Form 1040, or
- Line 4 of the EIC Worksheet in the Form 1040A instructions and enter the type and amount in the spaces on line 28c, Form 1040A.

Special note for military personnel. Each member of the military should receive a “Leave and Earnings Statement (LES)” at the end of the year. This statement should include specific allowance information. If the statement does not provide enough information or you need additional help, contact your legal assistance office or unit tax advisor. See Publication 945, *Tax Information for Those Affected by Operation Desert Storm* or Publication 3.

Disability payments. If you retired on disability, payments you receive are considered earned income until you reach minimum retirement age. Minimum retirement age generally is the earliest age at which you can receive a pension or annuity if you are not disabled. You must report your taxable disability payments on line 7 of either Form 1040 or Form 1040A until you reach minimum retirement age.

Beginning on the day after you reach minimum retirement age, payments you receive are taxable as a pension and are not considered earned income. Report taxable pension payments on Form 1040, lines 16a and 16b (or Form 1040A, lines 11a and 11b).

Cafeteria plans. If your employer offers a benefit plan that allows you to “pick and choose” among two or more benefits consisting of cash and certain employee benefits that are not taxed, you are probably participating in a cafeteria plan. Some of the benefits that may be offered include:

- Accident or health insurance
- Dependent care assistance.

If you choose a benefit that is not taxed (such as accident and health insurance) and agree to a voluntary salary reduction for the benefit, the amount of the salary reduction is earned income when figuring this credit.

Community property laws. If you live in a state that has community property laws for married persons, do not follow those community property laws when using your earned income to figure your earned income credit.

Native Americans. Native Americans who receive income exempt from federal income tax under the Internal Revenue Code or because of a treaty, agreement, Act of Congress, or other federal law may qualify for the earned income credit. The requirements for claiming the earned income credit for Native Americans are the same as those for everyone else.

What Is Earned Income?

As you already know, you must have a qualifying child living with you to qualify for the earned income credit in this Part I. But you also must work and have earned income. There are two ways to get earned income.

- 1) You work for someone who pays you, or
- 2) You work in a business you own.

That’s why this credit is called the earned income credit. What is “earned income?” This section will explain what counts as earned income in order to get the earned income credit. For examples of what is and is not earned income see *Table 1*.

What Counts as Earned Income

To get the earned income credit, earned income includes all the income you get from working—even if it is not taxable. The paragraphs that follow will explain some items that are considered earned income when figuring the credit.

Earned income that is not taxed. As you can see, *Table 1* includes some earned income that is not taxed. Earned income that is not taxed still counts as earned income when figuring the amount of your earned income credit.

To figure the earned income credit, you add the amounts of earned income that are not taxed to any amounts of taxable earned income you received during the year. You do this by putting the amount of your earned income that is not taxed on:

Table 1. Examples of Earned Income When Figuring the Earned Income Credit

Earned Income	
Includes:	Does not include:
<p>TAXABLE EARNED INCOME (Enter on EIC Worksheet, Line 1)*</p>	<p>Interest and dividends</p> <p>Social security and railroad retirement benefits</p> <p>Welfare benefits (including AFDC payments)</p> <p>Pensions or annuities</p> <p>Veterans' benefits</p> <p>Workers' compensation benefits</p> <p>Alimony</p> <p>Child support</p> <p>Unemployment compensation (insurance)</p> <p>Taxable scholarship or fellowship grants that are not reported on Form W-2</p> <p>Variable housing allowance for the military</p>
<p>Wages, salaries, and tips</p> <p>Union strike benefits</p> <p>Long-term disability benefits received prior to minimum retirement age</p> <p>Net earnings from self-employment (enter on line 5 of the Form 1040 EIC Worksheet, line 5)</p>	
<p>NONTAXABLE EARNED INCOME (Enter on line 4 of the EIC Worksheet).*</p>	
<p>* Voluntary salary deferrals (for example: under a 401(k) plan or the Federal Thrift Savings Plan)</p> <p>* Pay earned in a combat zone</p> <p>* Basic quarters and subsistence allowances and in-kind quarters and subsistence for the U.S. Military</p> <p>* The value of meals or lodging provided by an employer for the convenience of the employer</p> <p>* Housing allowance or rental value of a parsonage for the clergy (see "Ministers and members of religious orders")</p> <p>* Excludable dependent care benefits</p> <p>* Voluntary salary reductions such as under a cafeteria plan</p> <p>Anything else of value you get from someone for services you performed even if it is not taxable</p>	

* If you want IRS to figure your credit for you, enter the amount and type of your nontaxable earned income on line 7 (Form 1040EZ), line 28c (Form 1040A), or line 56 (Form 1040). For more information see, "IRS Will Figure Your Credit for You" in this publication.

One of the requirements for the earned income credit is that you must have "earned income." All wages, salaries, tips, and other employee compensation are earned income, even if they are not taxed. Thus, nontaxable treaty, etc., income is earned income if it is compensation for services performed as an employee. However, nontaxable income received for performing services as a self-employed individual is not earned income when figuring the earned income credit.

Important note. If you are not self-employed or a statutory employee (explained on page 10), skip *If you*

own your business and begin reading the section called *How To Figure the Credit* on page 11.

If you own your business. If you own your business, you are self-employed. You must include your net earnings from self-employment in earned income, even if the amount is less than \$400. Net earnings is the amount you get after you subtract your business expenses and half of your self-employment taxes from your business gross (total) income. If this figure is a net loss, you must subtract the loss from your total earned income.

You may figure the amount of your net earnings by using either the regular or optional methods shown on

Schedule SE, *Self-Employment Tax*. Publication 533, *Self-Employment Tax*, and the instructions for Schedule SE explain these methods. If you are eligible to choose the optional method, you may use up to \$1,600 as the amount of earned income.

Example. Anthony Smith had \$20,000 in gross farm income and a net farm **loss** of \$5,000 for the year. He had no other income. Since his gross farm income was more than \$2,400 and his net earnings (a loss of \$5,000) from farming were less than \$1,733, he can choose the farm optional method of figuring self-employment tax.

Even though he had a net loss for the year, he can enter \$1,600 as net earnings from self-employment on Schedule SE. The \$1,600 is earned income when used in figuring the earned income credit.

Net earnings from self-employment. Your net earnings from self-employment are earned income. You report these earnings on Schedule SE, Section A, line 3, or

Section B, line 3. From this amount you must subtract the amount you claimed (or should have claimed) on Form 1040, line 25. This net amount is your earned income to use in figuring the earned income credit. If you do not have to file Schedule SE (because your net earnings from self-employment minus half of your self-employment tax are under \$400), include the net amount in earned income on line 5 of the EIC Worksheet in the Form 1040 instructions. However, see *Table 2*, to figure the amount to enter on line 5 of the EIC Worksheet in the Form 1040 instructions.

Table 2. If you are filing Schedule C, Schedule C–EZ, or Schedule F, use Table 2 on page 10 to figure the amount to enter on the EIC Worksheet, line 5, in the Form 1040 instructions.

Table 2. How to Figure Line 5 of the EIC Worksheet
(Keep for your records)

- 1. If you are filing Schedule SE:**
 - a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies **1a.** _____
 - b. Enter the amount, if any, from Schedule SE, Section B, line 4b **1b.** _____
 - c. Add lines 1a and 1b **1c.** _____
 - d. Enter the amount from Form 1040, line 25 **1d.** _____
 - e. Subtract line 1d from line 1c **1e.** _____
- 2. If you are NOT filing Schedule SE because your net earnings from self-employment were less than \$400 or you had a net (loss), complete lines 2a through 2c. But do not include on these lines any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or 4361.**
 - a. Enter any net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a **2a.** _____
 - b. Enter any net profit or (loss) from Schedule C, line 31, Schedule C-EZ, line 3, and Schedule K-1 (Form 1065), line 15a (other than farming) **2b.** _____
 - c. Add lines 2a and 2b. Enter the total even if a loss **2c.** _____
- 3. If you are filing Schedule C or C-EZ as a statutory employee, enter the amount from line 1 of that Schedule C or C-EZ. 3. _____**
- 4. Add lines 1e, 2c, and 3. Enter the total here and on line 5 of the EIC Worksheet, even if a loss. If the result is a loss, enter it in parentheses and read the Caution below 4. _____**

Caution: If line 5 of the EIC Worksheet is a loss, subtract it from the total of lines 3 and 4 of that worksheet and enter the result on line 6. If the result is zero or less, you **can't** take the earned income credit.

Important note. If you are filing a joint return and your spouse was also self-employed or reported income and expenses on Schedule C (or Schedule C-EZ) as a statutory employee, add your spouse's amounts to yours to figure the amount to enter on the EIC Work-

sheet, line 5, in the Form 1040 instructions.

Ministers and members of religious orders. If you can claim the earned income credit and are filing Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on Form 1040, line 7, follow these special rules.

- 1) Write "**Clergy**" to the right of line 56, Form 1040.
- 2) Determine how much of the income reported on Form 1040, line 7, was also reported on Schedule SE, line 2.
- 3) Subtract that income from the amount on Form 1040, line 7. Enter only the difference on the EIC Worksheet, line 1, in the Form 1040 instructions.
- 4) Complete Table 2 to determine the amount to enter on the EIC Worksheet, line 5, in the Form 1040 instructions. Use the figures from the completed Schedule SE to enter on Table 2.

If you received a housing allowance or were provided housing, do not include the allowance or rental value of the parsonage as nontaxable earned income on the EIC Worksheet, line 4, in the Form 1040 instructions (or in the spaces provided on line 56, Form 1040). This income should already be included on Schedule SE, line 2.

Statutory employee. Statutory employees are generally considered self-employed. However, the amounts received by statutory employees have social security and Medicare taxes withheld. For purposes of the earned income credit, statutory employees are treated as employees. Therefore, the gross (total) amount received from employment is included in earned income. The four types of statutory employees are:

- 1) An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- 2) A full-time life insurance salesperson.
- 3) A homemaker who works by the guidelines of the person for whom the work is done, with materials furnished by and returned to that person or to someone that person designates.
- 4) A traveling or city salesperson (other than an agent-driver or commission-driver) who works full time (except for sideline sales activities) for one firm or person getting orders from customers. The orders must be for items for resale or use as supplies in the customer's business. The customers must be retailers, wholesalers, contractors, or operators of hotels, restaurants, or other businesses dealing with food or lodging.

If you were a statutory employee and you reported your income and expenses on Schedule C (Form 1040) (or Schedule C-EZ), your earned income includes the amount on line 1 of Schedule C (or Schedule C-EZ).

If you need further information about statutory employees, see Publication 937, *Employment Taxes*.

Approved Form 4361 and Form 4029. This section is for persons who have an approved:

- Form 4361, *Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners*, or
- Form 4029, *Application for Exemption from Social Security and Medicare Taxes and Waiver of Benefits*.

Each approved form exempts certain income from the self-employment tax. Each form is discussed in this section in terms of what is or is not earned income for purposes of the earned income credit.

Form 4361. If you have an approved Form 4361, amounts you received for performing ministerial duties as an employee are earned income. This includes wages, salaries, tips, and other employee compensation. Other employee compensation includes nontaxable compensation such as housing allowances or the rental value of a parsonage that you receive as part of your pay for services as an employee.

Amounts you received in the exercise of ministerial duties, but not as an employee, are not earned income. Examples include fees for performing marriages and honoraria for delivering speeches.

Any compensation you received from an undertaking unrelated to the ministry is earned income. This is so, whether you received the amounts as an employee or as a self-employed individual.

Form 4029. If you have an approved Form 4029, all wages, salaries, tips, and other employee compensation are earned income. Amounts you received as a self-employed individual are not earned income. Also, losses from Schedule C, C-EZ, or F cannot be subtracted from wages on line 7 of Form 1040.

How To Figure the Credit

Once you know that you qualify for the earned income credit, you need to know how to figure the amount of the credit. You have two choices of how to figure the credit.

- 1) Have the IRS figure the credit for you. If you would like the IRS to do this, see *IRS Will Figure Your Credit for You*, on page 12, or
- 2) Figure the credit yourself. To do this:
 - a) Complete the EIC Worksheet and enter the amount of the credit on line 56 (Form 1040) or line 28c (Form 1040A), and
 - b) Complete Schedule EIC and attach it to your Form 1040 or Form 1040A, if you have a qualifying child. If you do not have a child or a qualifying child, go to *Part II* and follow those instructions.

Earned income credit table. There is only one earned income credit table for 1994. You use this table to find the amount of your credit. The table begins on page 38.

The examples for John and Janet Smith and David and Judy Brown will show how to use the table.

Alternative minimum tax (AMT). The tax laws give special treatment to some kinds of income and expenses. This special treatment could substantially reduce or eliminate an individual's income tax. So that taxpayers who benefit from these laws will pay at least a minimum amount of tax, there is a special tax called the AMT.

You may have to pay the AMT if your taxable income for regular tax purposes, combined with any of the adjustments and preference items that apply to you, totals more than:

- **\$45,000** if you are married filing a joint return (or a qualifying widow(er) with dependent child)
- **\$33,750** if your filing status is head of household or single

You **must** reduce your earned income credit by the amount of any AMT you have for the tax year. If you owe the AMT (Form 1040, line 48), reduce the amount which you enter on line 10 of the Form 1040 EIC Worksheet by the amount on line 48 of Form 1040. Next, enter the result (if more than zero) on Form 1040, line 56. Then replace the amount on the Form 1040 EIC Worksheet, line 10, with the amount entered on Form 1040, line 56.

If you file Form 1040A and included AMT on line 27, subtract your AMT from the amount on line 9 of the Form 1040A EIC Worksheet. Next, enter the result (if more than zero) on Form 1040A, line 28c. Then, replace the amount on line 9 of the Form 1040A EIC Worksheet with the amount entered on Form 1040A, line 28c. See the instructions for Form 6251, *Alternative Minimum Tax—Individuals* for more information.

How To Claim the Credit

If you want the IRS to figure your credit for you, skip this section and go to *IRS Will Figure Your Credit for You* on page 12. If you want to figure the credit yourself, you must do the following:

- File either Form 1040 or 1040A.
- Complete the **EIC Worksheet** to figure the amount of your credit. The Worksheet does not have to be attached to your return. You should, however, keep it with your tax records. The instructions for Form 1040 and 1040A contain an EIC Worksheet for your use.
- If you received advance earned income credit payments in 1994, you **must** file Form 1040 or 1040A. Form W-2, box 9, shows the amount of advance payments you received during 1994. Include the **advance payments** you received in 1994 on line 52, Form 1040 or line 26, Form 1040A. To find out if you can get advance payments of the earned income credit, see Part III on page 31.

- Enter your earned income credit on line 56 (Form 1040) or line 28c (Form 1040A).
- Attach a completed Schedule EIC to either Form 1040 or 1040A. You cannot use Form 1040EZ because you have a qualifying child.

There are two examples with filled-in forms at the end of Part I that show how to claim and figure the credit.

IRS Will Figure Your Credit for You

There are certain instructions you must follow before IRS can figure the credit for you.

Form 1040. If you are filing Form 1040 and you want the IRS to figure the credit for you, you must fill out parts of Form 1040 and also:

- Enter any advance earned income credit payments received in 1994 on line 52,
- Complete Schedule EIC if you have a qualifying child, and
- Write **EIC** next to line 56. Also, if you have any earned income that is not taxed, enter the amount and type of income in the spaces for line 56. See Table 1 on page 8 for examples of earned income that is not taxed.

To see which lines on Form 1040 you must fill out, go to the Form 1040 instructions and see *The IRS Will Figure Your Tax and Some of Your Credits*.

Form 1040A. If you are filing Form 1040A and you want the IRS to figure the credit for you, you must:

- Fill in the parts of Form 1040A through line 22 that apply to you.
- If you file a joint return, use the space to the left of line 22 to separately show your own and your spouse's taxable income.
- Complete lines 24a, 24b, 26, 28a, 28b, and any write-ins on line 28d, if they apply to you. If you received any advance earned income credit payments, show the amount of the payment on line 26.
- Attach the first copy or Copy B of all your W-2 and 1099-R forms that show federal income tax withheld.
- Fill-in and attach any schedules or forms asked for on the lines you completed.
- Complete Schedule EIC, if you have a qualifying child.
- Write "**EIC**" next to line 28c. Also, if you have earned income that is not taxed, enter the amount and type of income in the spaces provided. See Table 1 on page 8 for examples of earned income that is not taxed.
- Sign and date your return (both spouses must sign a joint return) and enter your occupations.
- Mail your return by April 17, 1995.

Important note. You must fill-in and attach Schedule EIC to either Form 1040 or 1040A.

When and where to file your return. You can file your tax return any time between January 1, 1995, and April 17, 1995. The earlier you file, the sooner you will receive your refund, if any. Mail your filled-in return and all attachments to the Internal Revenue Service Center designated for the state or area where you live. Use the addressed envelope that came with your tax package, or use one of your own if you do not have the addressed envelope. If you do not have the addressed envelope, or if you moved during the year, see *Where do I file?* in your Form 1040A or 1040 instructions.

How To Figure the Credit Yourself

There are certain instructions you must follow if you want to figure the credit yourself.

Form 1040A, EIC Worksheet, and Schedule EIC

Figure the amount of your credit on the EIC Worksheet if you meet the rules on page 4 and your total earned income (line 7, Form 1040A) and your adjusted gross income (line 16, Form 1040A) are each less than:

- \$23,755 if you have one qualifying child, or
- \$25,296 if you have more than one qualifying child.

If you **do not** meet all the rules on page 4, then you do not qualify for the earned income credit. If you do not qualify, enter "No" next to line 28c, Form 1040A. If you qualify for the credit, also fill out Schedule EIC to provide information about your qualifying child and attach it to your Form 1040A. Do not attach the EIC Worksheet to your return.

If you want the IRS to figure your credit, see *IRS Will Figure Your Credit for You* on this page.

Important note. If Form 1040A, line 7, includes an amount for a taxable scholarship or fellowship grant that was not reported on your Form W-2, enter the total line 7 amount on line 1 of the EIC Worksheet. Next, enter the amount of the scholarship or fellowship grant (that was not reported on your W-2) in the box for line 2 of the EIC Worksheet. Then subtract line 2 from line 1 and enter the result on line 3.

Reminder. If you don't give all the information asked for, it may take longer to process your return and issue you a refund.

Remember— You cannot use Form 1040EZ if you have a qualifying child. If you qualify for the credit and have a qualifying child, you must complete the EIC Worksheet, Schedule EIC, and file either Form 1040 or Form 1040A.

Example—1040A

John and Janet Smith are married and will file a joint return. They have one child—Amy, who is 2 years old (as of December 31, 1994). Amy lived with John and Janet for all of 1994. John worked and earned \$9,100. Janet worked part of the year and earned \$1,500. Their total earned income and adjusted gross income is \$10,600. John and Janet qualify for the earned income credit and fill out the EIC Worksheet and Schedule EIC.

They took the following steps to complete Schedule EIC and the EIC Worksheet. Their completed Schedule EIC and EIC Worksheet are on pages 14 and 15.

Step 1—Schedule EIC

The Smiths enter “John H. Smith and Janet L. Smith” and John’s social security number on the line at the top of Schedule EIC. They place only the primary social security number (the one that appears first on the Form 1040A) on this line.

Step 2—Schedule EIC

They fill out *Information About Your Qualifying Child or Children* (lines 1–6).

Line 1. The Smiths enter the first name, middle initial (if any), and last name for Amy in the column “(a) Child 1.”

Line 2. They enter the year of birth for Amy (1992).

Line 3a and 3b. The Smiths skip these lines because Amy was born after 1975.

Line 4. They enter Amy’s social security number. If the Smiths did not have a social security number for Amy, they would follow the instructions under *Social Security Number* on page 5. If the social security number is not on Schedule EIC, then the processing of their tax return would be delayed.

Line 5. The Smiths enter “daughter” for Amy. This column shows Amy’s relationship to John and Janet.

Line 6. The Smiths enter “12” for Amy. This is how many months Amy lived with the Smiths in 1994.

Step 3—Schedule EIC

The Smiths will attach Schedule EIC to Form 1040A when they send their completed return to IRS.

Step 4—EIC Worksheet

In Steps 1–3 the Smiths completed Schedule EIC with information about their qualifying child. Next, they will complete the EIC Worksheet to figure their earned income credit amount.

Line 1. The Smiths enter \$10,600 from Form 1040A, line 7.

Line 2. The Smiths leave this box blank because they did not have any scholarships or fellowship grants.

Line 3. Because line 2 is blank, the Smiths enter the \$10,600 from line 1 in the box for line 3.

Line 4. The Smiths leave this line blank because all their income is taxable.

Line 5. They add lines 3 and 4 together and enter \$10,600 in the box for line 5.

Line 6. The Smiths are ready to see how much of a credit they can get. They go to the **Earned Income Credit Table** that begins on page 38. They have one qualifying child—Amy. The Smiths find their income of \$10,600 (from the EIC Worksheet, line 5) within the range of \$9,000 to \$11,000. They follow this line across to the column “One child” and find \$2,038. They enter \$2,038 in the box for line 6.

If the amount on the Form 1040A EIC Worksheet, line 5 or line 7, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
9,000	11,000	0	2,038	2,528
11,000	11,050	0	2,034	2,523
11,050	11,100	0	2,026	2,514
11,100	11,150	0	2,018	2,505

Line 7. The Smiths enter their adjusted gross income of \$10,600. This amount is from Form 1040A, line 16.

Line 8. Because their earned income of \$10,600 is less than \$11,000, they check the box for **YES** and go to line 9.

Line 9. The Smiths read the instructions for line 9. Because they checked **YES** on line 8, they enter the amount from line 6 (\$2,038) in the box for line 9 and also on Form 1040A, line 28c. The \$2,038 is their earned income credit.

Schedule EIC Smith page 1
EIC Worksheet-line 28c, Smith

Form 1040, EIC Worksheet, and Schedule EIC

Figure the amount of your credit on the EIC Worksheet if you meet the rules on page 4 and your total earned income (line 7, Form 1040) and your adjusted gross income (line 31, Form 1040) are each less than:

- \$23,755 if you have one qualifying child, or
- \$25,296 if you have more than one qualifying child.

If you **do not** meet all the rules on page 4, then you do not qualify for the earned income credit. If you do not qualify, enter “No” next to line 56, Form 1040. If you qualify for the credit, fill out Schedule EIC to provide information about your qualifying child and attach it to your Form 1040. Do not attach the EIC Worksheet to your return.

If you want the IRS to figure your credit, see *IRS Will Figure Your Credit for You* on page 12.

Important note. If Form 1040, line 7, includes an amount for a taxable scholarship or fellowship grant that was not reported on your Form W–2, enter the total line 7 amount on line 1 of the EIC Worksheet. Next, enter the

SCHEDULE EIC
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (7)

Name(s) shown on return

Earned Income Credit
(Qualifying Child Information)

▶ Attach to Form 1040A or 1040.
▶ See instructions on back.

OMB No. 1545-0074

1994

Attachment
Sequence No. 43

Your social security number
222 00 2222

John H. Smith and Janet L. Smith

Before You Begin . . .

- Answer the questions on page 44 (1040A) or page 27 (1040) to see if you can take this credit.
- If you can take the credit, fill in the worksheet on page 45 (1040A) or page 28 (1040) to figure your credit.
But if you want the IRS to figure it for you, see page 40 (1040A) or page 24 (1040).

Then, complete and attach Schedule EIC only if you have a qualifying child (see boxes on back).

Information About Your Qualifying Child or Children

If you have more than two qualifying children, you only have to list two to get the maximum credit.

Caution: If you don't fill in all the lines that apply, it will take us longer to process your return and issue your refund.

	(a) Child 1	(b) Child 2
1 Child's name (first, initial, and last name)	<i>Amy S. Smith</i>	
2 Child's year of birth	<i>19 92</i>	19 ____
3 If child was born before 1976 AND—		
a was a student under age 24 at the end of 1994, check the "Yes" box, OR	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
b was permanently and totally disabled (see back), check the "Yes" box	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
4 If child was born before 1994 , enter the child's social security number	<i>000 00 2224</i>	
5 Child's relationship to you (for example, son, grandchild, etc.)	<i>Daughter</i>	
6 Number of months child lived with you in the U.S. in 1994	<i>12</i> months	_____ months

TIP: Do you want the earned income credit added to your take-home pay in 1995? To see if you qualify, get Form W-5 from your employer or by calling the IRS at 1-800-TAX-FORM (1-800-829-3676).

Earned income credit worksheet—Line 28c (keep for your records)

1. Enter the amount from Form 1040A, line 7.	1.	10,600
2. If you received a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, enter that amount here.	2.	
3. Subtract line 2 from line 1.	3.	10,600
4. Enter any nontaxable earned income (see page 47). Types of nontaxable earned income include contributions to a 401(k) plan, which should be shown in box 13 of your W-2 form, and military housing and subsistence.	4.	
5. Add lines 3 and 4.	5.	10,600
6. Look up the amount on line 5 above in the EIC Table on pages 49-50 to find your credit. Enter the credit here.	6.	2,038
If line 6 is zero, stop. You cannot take the credit. Enter "No" next to line 28c of Form 1040A.		
7. Enter the amount from Form 1040A, line 16.	7.	10,600
8. Is line 7 less than— • \$5,000 if you don't have a qualifying child, or • \$11,000 if you have at least one qualifying child? <input checked="" type="checkbox"/> YES. Go to line 9 now. <input type="checkbox"/> NO. Look up the amount on line 7 above in the EIC Table on pages 49-50 to find your credit. Enter the credit here.	8.	
9. Earned income credit. • If you checked "YES" on line 8, enter the amount from line 6. • If you checked "NO" on line 8, enter the smaller of line 6 or line 8.	9.	2,038

Next: Take the amount from line 9 above and enter it on Form 1040A, line 28c.

AND

If you had any nontaxable earned income (see line 4 above), enter the amount and type of that income in the spaces marked "amount" and "type" below line 28c.

AND

Complete Schedule EIC and attach it to your return ONLY if you have a qualifying child.

amount of the scholarship or fellowship grant (that was not reported on your W-2) on line 2 of the Form 1040 EIC Worksheet. Then subtract line 2 from line 1 and enter the result on line 3.

Reminder. If you don't give all the information asked for, it may take longer to process your return and issue you a refund.

Remember— You cannot use Form 1040EZ if you have a qualifying child. If you qualify for the credit and have a qualifying child, you must complete the EIC Worksheet, Schedule EIC, and file either Form 1040 or Form 1040A.

Example—1040

At the end of 1994, David and Judy Brown had three children—Karl B., age 3, and twins Trisha K. and Mary B., age 11 months. The children lived with David and Judy for all of 1994. David worked and earned \$16,000. He also received \$1,500 in unemployment compensation. Judy made crafts and sold them at a flea market. Her earnings from self-employment were \$350. In addition, they earned \$50 interest from a savings account.

Their total earned income is \$16,350 (\$16,000 + \$350). Their adjusted gross income is \$17,900 (\$16,000 + \$350 + \$1,500 + \$50). David and Judy will file a joint return using Form 1040. They qualify for the earned income credit and complete Schedule EIC and the EIC Worksheet.

They take the following steps to complete the forms. Pages 18 and 19 show the Browns' completed Schedule EIC and EIC Worksheet.

Step 1—Schedule EIC

The Browns complete Schedule EIC because they have qualifying children. They enter "David H. Brown and Judy K. Brown" and David's social security number on the line provided at the top of Schedule EIC. They enter the social security number that appears first on Form 1040.

Step 2—Schedule EIC

The Browns fill out *Information About Your Qualifying Child or Children* (lines 1–6).

Important note. If you have more than two qualifying children, list only two children on Schedule EIC.

Line 1. The Browns enter the first names, middle initials, and last names of the children. They enter only Karl's and Trisha's names. They do not enter Mary's name. However, Mary is still their qualifying child even though her name is not on Schedule EIC.

Line 2. The Browns enter the year of birth for Karl (1991) in the column "(a) Child 1" and for Trisha (1994) in the column "(b) Child 2."

Lines 3a and 3b. The Browns skip these lines because the children were born after 1975.

Line 4. The Browns enter Karl's social security number. They do not have to enter a social security number for Trisha because she was under age 1 at the end of 1994. If the Browns did not have a social security number for Karl, they would follow the instructions under *Social Security Number* on page 5. If they omit Karl's social security number, then the processing of the Browns' tax refund would be delayed.

Line 5. The Browns enter "son" for Karl and "daughter" for Trisha. This line shows the relationship of the children to the Browns.

Line 6. The Browns enter "12" for Karl and "12" for Trisha. This line shows how many months in 1994 the children lived with the Browns. The Browns enter "12" as the number of months Trisha lived with them in 1994 even though Trisha is only 11 months old.

Step 3—Schedule EIC

The Browns will attach Schedule EIC to Form 1040 when they send their completed return to IRS.

Step 4—EIC Worksheet

In Steps 1–3 the Browns completed the information about their qualifying children. Next, they will complete the EIC Worksheet to figure their earned income credit amount.

Line 1. The Browns enter David's earned income (\$16,000) from Form 1040, line 7.

Line 2. The Browns leave this line blank because they did not have any taxable scholarship or fellowship grant income.

Line 3. They subtract line 2 from line 1 and enter \$16,000.

Line 4. Because all of David's and Judy's earned income is taxable, they leave this line blank.

Line 5. Because Judy was self-employed, she completed *Table 2. How to Figure Line 5 for the EIC Worksheet* and enters the result – \$350 – on line 5. Table 2 can be found on page 10. A filled-in Table 2 is not shown in this example.

Line 6. They add lines 3, 4, and 5 and enter \$16,350. This is their total earned income.

Line 7. To find the amount of their credit, the Browns go to the **Earned Income Credit Table** on page 38. They have two qualifying children on Schedule EIC—Karl and Trisha. They find their earned income of \$16,350 (from EIC Worksheet, line 6) in the range of \$16,350 to \$16,400. They follow this line across to the column "Two children" and find \$1,577. They enter \$1,577 on line 7.

If the amount on the Form 1040A EIC Worksheet, line 6 or line 8, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
16,350	16,400	0	1,179	1,577
16,400	16,450	0	1,171	1,578
16,450	16,500	0	1,163	1,560
16,500	16,550	0	1,155	1,551

Line 8. The Browns enter their adjusted gross income of \$17,900 (from Form 1040, line 31).

Line 9. The Browns check the box for **NO** and follow the instruction because their adjusted gross income of \$17,900 is more than \$11,000. They again go to the **Earned Income Credit Table** to find the amount of their credit based on their adjusted gross income (EIC Worksheet, line 8). They find the \$17,900 in the range of \$17,900 to \$17,950. They follow this line across to the column “Two children” and find \$1,303. They enter \$1,303 on line 9.

If the amount on the Form 1040A EIC Worksheet, line 6 or line 8, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
17,750	17,800	0	956	1,330
17,800	17,850	0	948	1,321
17,850	17,900	0	940	1,312
17,900	17,950	0	932	1,303

Line 10. Because they checked **NO** on line 9, they compare the amounts on line 7 (\$1,577) and line 9 (\$1,303). They enter the smaller amount on line 10 and also on Form 1040, line 56. The \$1,303 is the Browns’ earned income credit.

Schedule EIC Brown
EIC Worksheet line 56 Brown

Part II. Persons Without a Qualifying Child

Part II is for persons who work and do not have a child or a qualifying child. If you do not know if you have a qualifying child, see *Who Is a Qualifying Child* on page 5. If you have a qualifying child, go to *Part I. Persons With a Qualifying Child* on page 4.

If you do not have a child or if your child is not a qualifying child, then read this section to see if you meet the other rules to get the credit. Your credit amount, in this part, could be as much as \$306.

Who May Take the Credit?

If you do not have a qualifying child and want to take the credit, then you must meet **all** of the following rules:

- 1) You must have earned income during 1994.
- 2) Your earned income and adjusted gross income must each be less than \$9,000.
- 3) Your return must cover a 12-month period. This does not apply if you file a short period return because of an individual’s death.
- 4) Your filing status can be any filing status **EXCEPT** married filing a separate return. See *Married Persons Exception* on this page for an exception.
- 5) You cannot be a qualifying child of another person. See *Qualifying Child of Another Person* on page 21.
- 6) You (or your spouse, if filing jointly) must be at least age 25 but under age 65 before the close of your tax year (usually December 31). See *Age Rule* on page 21.
- 7) You cannot be eligible to be claimed as a dependent on anyone else’s return. See *Dependent Rule* on page 21.
- 8) Your main home must be in the United States for more than half the year. See *Main Home Rule* on page 21.
- 9) You are not filing Form 2555, *Foreign Earned Income*, or Form 2555-EZ, *Foreign Earned Income Exclusion*. These forms are filed to exclude from your gross income any income earned in foreign countries, or to deduct or exclude foreign housing amounts. See Publication 54, *Tax Guide for U.S. Citizens and Resident Aliens Abroad*, for more information.

Important note. If you meet **all** these rules, fill out the EIC Worksheet to figure the amount of your credit. If you **do not** meet all these rules, enter “No” next to line 56 (Form 1040), next to line 28c (Form 1040A), or next to line 7 (Form 1040EZ). Remember, this Part II is only for persons without a child or a qualifying child.

Rules Explained

In this section you will find explanations and examples for some of the rules that are listed under *Who May Take the Credit*. The following rules are discussed:

- Married Persons Exception
- Qualifying Child of Another Person
- Age Rule
- Dependent Rule
- Main Home Rule

When Is Your Child Not a Qualifying Child?

To be a qualifying child, a child must meet three tests. These tests are:

SCHEDULE EIC
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (7)

Earned Income Credit
(Qualifying Child Information)

▶ Attach to Form 1040A or 1040.
▶ See instructions on back.

OMB No. 1545-0074

1994

Attachment
Sequence No. **43**

Name(s) shown on return

David H. Brown and Judy K. Brown

Your social security number

333 00 3333

Before You Begin . . .

- Answer the questions on page 44 (1040A) or page 27 (1040) to see if you can take this credit.
- If you can take the credit, fill in the worksheet on page 45 (1040A) or page 28 (1040) to figure your credit.
But if you want the IRS to figure it for you, see page 40 (1040A) or page 24 (1040).

Then, complete and attach Schedule EIC only if you have a qualifying child (see boxes on back).

Information About Your Qualifying Child or Children

If you have more than two qualifying children, you only have to list two to get the maximum credit.

Caution: If you don't fill in all the lines that apply, it will take us longer to process your return and issue your refund.

	(a) Child 1	(b) Child 2
1 Child's name (first, initial, and last name)	<u>Karl B. Brown</u>	<u>Trisha K. Brown</u>
2 Child's year of birth	<u>1991</u>	<u>1994</u>
3 If child was born before 1976 AND—		
a was a student under age 24 at the end of 1994, check the "Yes" box, OR	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
b was permanently and totally disabled (see back), check the "Yes" box	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
4 If child was born before 1994 , enter the child's social security number	<u>000 00 1234</u>	
5 Child's relationship to you (for example, son, grandchild, etc.)	<u>Son</u>	<u>Daughter</u>
6 Number of months child lived with you in the U.S. in 1994	<u>12 months</u>	<u>12 months</u>

TIP: Do you want the earned income credit added to your take-home pay in 1995? To see if you qualify, get Form W-5 from your employer or by calling the IRS at 1-800-TAX-FORM (1-800-829-3676).

Earned Income Credit Worksheet—Line 56 (keep for your records)

Caution: If you are a minister or member of a religious order, see **Special Rules** on page 29 before completing this worksheet.

1. Enter the amount from Form 1040, line 7 1. 16,000
2. If you received a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, enter that amount here 2. _____
3. Subtract line 2 from line 1 3. 16,000
4. Enter any nontaxable earned income (see page 29). Types of nontaxable earned income include contributions to a 401(k) plan, which should be shown in box 13 of your W-2 form, and military housing and subsistence 4. _____
5. If you were self-employed or used Schedule C or C-EZ as a statutory employee, enter the amount from the worksheet on page 29 5. 350
6. Add lines 3, 4, and 5 6. 16,350
7. Look up the amount on line 6 above in the EIC Table on pages 30–31 to find your credit. Enter the credit here 7. 1,577
If line 7 is zero, stop. You cannot take the credit. Enter "No" next to Form 1040, line 56.
8. Enter the amount from Form 1040, line 31 8. 17,900
9. Is line 8 less than—
 - \$5,000 if you don't have a qualifying child?
 - \$11,000 if you have at least one qualifying child?
 - YES. Go to line 10 now.
 - NO. Look up the amount on line 8 above in the EIC Table on pages 30–31 to find your credit. Enter the credit here 9. 1,303
10. Earned income credit.
 - If you checked "YES" on line 9, enter the amount from line 7.
 - If you checked "NO" on line 9, enter the smaller of line 7 or line 9 10. 1,303Next: Take the amount from line 10 above and enter it on Form 1040, line 56.

AND

If you had any nontaxable earned income (see line 4 above), enter the amount and type of the income in the spaces provided on line 56.

AND

Complete Schedule EIC and attach it to your return ONLY if you have a qualifying child.

Note: If you owe the alternative minimum tax (Form 1040, line 48), subtract it from the amount on line 10 above. Then, enter the result (if more than zero) on Form 1040, line 56. Also, replace the amount on line 10 above with the amount entered on Form 1040, line 56.

Relationship,
Residency, and
Age.

If your child does not meet all three tests, then the child is not a qualifying child. If your child is not a qualifying child, then you may be able to get the earned income credit under the rules in this part of the publication. See *Who Is a Qualifying Child* on page 5.

Married Persons Exception

Married persons living apart usually must file a joint return to claim the earned income credit. Even though you are married, you may file as head of household and claim the credit on your return if:

- 1) Your spouse did not live in your home at any time during the last 6 months of the year,
- 2) You paid more than half the cost to keep up your home for the entire year, and
- 3) Your home was, for more than half of the year, the main home of your child, adopted child, stepchild, or foster child. You also must be entitled to claim an exemption for your child.

You will meet (3) even if you cannot claim an exemption for your child because:

- You released your claim in writing to the other parent by filling out **Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents**, or
- There is a pre-1985 agreement (decree of divorce or separate maintenance or written agreement) granting the exemption to your child's other parent.

If the child who qualifies you for head of household status also meets the requirements of your qualifying child, you cannot take the credit under Part II.

Example 1. You are married. You and your spouse lived apart for all of 1994. You earned \$8,000 in 1994. Your 19-year-old son lived with you all year. You provided more than half the cost of maintaining your home. Your son had a part-time job and earned \$2,000. He was not a full-time student or permanently and totally disabled. You qualify for the "head of household" filing status and claim your son as a dependent. You can get the earned income credit under the rules in Part II. You cannot get the larger credit amount in Part I because your son does not meet the age test for a qualifying child. Your son is 19, not a full-time student, and is not permanently and totally disabled. Even though your son is your dependent, he is not your qualifying child when figuring the earned income credit.

Example 2. The facts are the same as in Example 1, except your son is 18. In that case, your son is your dependent and a qualifying child. You would qualify for the credit under the rules in Part I (see page 4), but you would not qualify for the credit under the rules in Part II because your son is your qualifying child.

Qualifying Child of Another Person

If you are a qualifying child of another person, then you cannot claim the earned income credit.

Are you a qualifying child? Basically, you are a qualifying child if:

- 1) You are a son, daughter, adopted child, grandchild, or foster child of someone,
- 2) At the end of 1994 you were under age 19, under age 24 and a full-time student, or permanently and totally disabled at any age, **and**
- 3) You lived with someone (parent, guardian, foster parent, etc.) in the United States for more than half of 1994 (for all of 1994 if you were a foster child).

See *Who Is a Qualifying Child* on page 5 if you need further information.

Example. In 1994, you lived with your mother. You are age 26 and permanently and totally disabled. Your only income in 1994 was from a community center where you went twice a week to answer telephones. You were paid a small fee of \$1,500 for the year. Your mother worked and earned \$16,000.

You are a qualifying child for your mother. She can claim the earned income credit if she meets all the other rules. Because you are a qualifying child of your mother, you cannot claim the earned income credit for 1994.

Age Rule

You must be at least age 25 but under age 65 before the end of your tax year. If you are married filing a joint return, either you or your spouse must be at least age 25 but under age 65 before the end of your tax year. It does not matter which spouse meets the age rule, as long as one of the spouses does. The end of the tax year for most people is December 31.

Example 1. You are single, age 28, and do not have any children. You meet the "Age Rule" for claiming the earned income credit in Part II.

Example 2. You are married and will file a joint return. You are age 23 and your spouse is age 27. You meet the "Age Rule" for claiming the earned income credit, because your spouse is at least age 25 but under age 65.

Example 3. You are married and will file a joint return. You are age 62 and your spouse is 66. You meet the "Age Rule" for claiming the earned income credit because you are at least age 25 but under age 65.

Example 4. You are married and file a joint return. You worked and your spouse was a full-time student. You are age 29 and your spouse is age 24. You meet the age test because you are at least 25 but under 65. It does not matter if only one of you has earned income. As long as you meet all the other rules, you can still get the credit.

Dependent Rule

You must be able to claim an exemption for yourself on your tax return. If someone else can claim you as a dependent on their return, you cannot claim the earned income credit. If someone else can claim you as a dependent on their return but does not, you still cannot claim the credit.

Example 1. You are age 25, single, and living at home with your parents. You work and are not a student. You earned \$7,500. Your parents cannot claim you as a dependent. When you file your return, you claim an exemption for yourself. Therefore, you meet the “Dependent Rule.”

Example 2. You are age 25, single, and living at home with your parents. You work and earned \$2,000. Your parents can claim you as a dependent but decide not to. You cannot claim the credit because your parents could have claimed you as a dependent.

Example 3. You file as head of household. Your mother is your dependent. You maintain your own home. You worked and earned \$8,500. No one can claim you as a dependent. You claim an exemption for yourself when you file your return. You meet the “Dependent Rule.”

Main Home Rule

Your main home must be in the United States for more than half the year. Your main home can be **any location** where you regularly live. For example, some homeless individuals live in shelters. Such individuals are entitled to claim the credit if they also meet all the other rules for eligibility.

What Is Earned Income

You have just learned about some of the rules you must meet if you want to claim the earned income credit. Another rule you must meet to get the credit is to have earned income. There are two ways to get earned income.

- 1) You work for someone who pays you, or
- 2) You work in a business you own.

That’s why this credit is called the earned income credit. What is “earned income”? This section will explain what counts as earned income in order to get the earned income credit. For examples of what is or is not earned income see *Table 3*. The paragraphs that follow will explain some items that are considered earned income when figuring the credit.

Earned income that is not taxed. As you can see, *Table 3* includes some examples of earned income that is not taxed. Earned income that is not taxed still counts as earned income when figuring the amount of your earned income credit.

To figure the earned income credit, you add the amounts of earned income that are not taxed to any

amounts of taxable earned income you received during the year. You do this by putting the amount of your earned income that is not taxed on:

- Line 4 of the EIC Worksheet in the Form 1040 instructions and enter the type and amount in the spaces next to line 56, Form 1040,
- Line 4 of the EIC Worksheet in the Form 1040A instructions and enter the type and amount in the spaces next to line 28c, Form 1040A, or
- Line 4 of the EIC Worksheet in the Form 1040EZ instructions and enter the type and amount in the spaces next to line 7, Form 1040EZ.

Special note for military personnel. Each member of the military should receive a “Leave and Earnings Statement (LES)” at the end of the year. This statement should include specific allowance information. If the statement does not provide enough information or you need additional help, contact your legal assistance office or unit tax advisor. See Publication 945, *Tax Information for Those Affected by Operation Desert Storm* or Publication 3, *Tax Information for Military Personnel (Including Reservists Called to Active Duty)*.

Disability payments. If you retired on disability, payments you receive are considered earned income until you reach minimum retirement age. Minimum retirement age generally is the earliest age at which you can receive a pension or annuity if you are not disabled. You must report your taxable disability payments on line 7 of either Form 1040 or Form 1040A until you reach minimum retirement age.

Beginning on the day after you reach minimum retirement age, payments you receive are taxable as a pension and are not considered earned income. Report taxable pension payments on Form 1040, lines 16a and 16b (or Form 1040A, lines 11a and 11b).

Cafeteria plans. If your employer offers a benefit plan that allows you to “pick and choose” among two or more benefits consisting of cash and certain employee benefits that are not taxed, you are probably participating in a cafeteria plan. Some of the benefits that may be offered include:

- Accident or health insurance
- Dependent care assistance.

If you choose a benefit that is not taxed (such as accident and health insurance) and agree to a voluntary salary reduction for the benefit, the amount of the salary reduction is earned income when figuring this credit.

Community property laws. If you live in a state that has community property laws for married persons, do not follow those community property laws when using your earned income to figure your earned income credit.

Table 3. Examples of Earned Income When Figuring the Earned Income Credit

Earned Income	
Includes:	Does not include:
<p>TAXABLE EARNED INCOME (Enter on EIC Worksheet, Line 1)*</p>	<p>Interest and dividends</p> <p>Social security and railroad retirement benefits</p> <p>Welfare benefits (including AFDC payments)</p> <p>Pensions or annuities</p> <p>Veterans' benefits</p> <p>Workers' compensation benefits</p> <p>Alimony</p> <p>Child support</p> <p>Unemployment compensation (insurance)</p> <p>Taxable scholarship or fellowship grants that are not reported on Form W-2</p> <p>Variable housing allowance for the military</p>
<p>Wages, salaries, and tips</p> <p>Union strike benefits</p> <p>Long-term disability benefits received prior to minimum retirement age</p> <p>Net earnings from self-employment (enter on line 5 of the Form 1040 EIC Worksheet)</p>	
<p>NONTAXABLE EARNED INCOME (Enter on line 4 of the EIC Worksheet).*</p>	
<p>* Voluntary salary deferrals (for example: under a 401(k) plan or the Federal Thrift Savings Plan)</p> <p>* Pay earned in a combat zone</p> <p>* Basic quarters and subsistence allowances and in-kind quarters and subsistence for the U.S. Military</p> <p>* The value of meals or lodging provided by an employer for the convenience of the employer</p> <p>* Housing allowance or rental value of a parsonage for the clergy (see "Ministers and members of religious orders")</p> <p>* Excludable dependent care benefits</p> <p>* Voluntary salary reductions such as under a cafeteria plan</p> <p>Anything else of value you get from someone for services you performed even if it is not taxable</p>	

* If you want IRS to figure your credit for you, enter the amount and type of your nontaxable earned income on line 7 (Form 1040EZ), line 28c (Form 1040A), or line 56 (Form 1040). For more information see, "IRS Will Figure Your Credit for You," in this publication.

Native Americans. Native Americans who receive income exempt from federal income tax under the Internal Revenue Code or because of a treaty, agreement, Act of Congress, or other Federal law may qualify for the earned income credit. The requirements for claiming the earned income credit for Native Americans are the same as those for everyone else.

One of the requirements for the earned income credit is that you must have "earned income." All wages, salaries, tips, and other employee compensation are earned income, even if they are not taxed. Thus, nontaxable treaty, etc., income is earned income if it is compensation for services performed as an employee. However,

nontaxable income received for performing services as a self-employed individual is not earned income when figuring the earned income credit.

Important note. If you are not self-employed or a statutory employee (explained on page 24), skip *If you own your business* and begin reading the section called *How To Figure the Credit* on page 25.

If you own your business. If you own your business, you are self-employed. You must include your net earnings from self-employment in earned income, even if the amount is less than \$400. Net earnings is the amount

you get after you subtract your business expenses and half of your self-employment taxes from your business gross (total) income. If this figure is a net loss, you must subtract the loss from your total earned income.

You may figure the amount of your net earnings by using either the regular or optional methods shown on Schedule SE (Form 1040), *Self-Employment Tax*. Publication 533, *Self-Employment Tax*, and the instructions for Schedule SE explain these methods. If you are eligible to choose the optional method, you may use up to \$1,600 as the amount of earned income.

Example. You had \$20,000 in gross farm income and a net farm **loss** of \$5,000 for the year. You had no other income. Because your gross farm income were more than \$2,400 and your net earnings (a loss of \$5,000) from farming was less than \$1,733, you can choose the farm optional method of figuring self-employment tax.

Even though you had a net loss for the year, you could enter \$1,600 as net earnings from self-employment on Schedule SE. The \$1,600 is earned income when used in figuring the earned income credit.

Net earnings from self-employment. Your net earnings from self-employment are earned income. You report these earnings on Schedule SE, Section A, line 3, or Section B, line 3. From this amount you must subtract the amount you claimed (or should have claimed) on Form 1040, line 25. This net amount is your earned income to use in figuring the earned income credit. If you do not have to file Schedule SE (because your net earnings from self-employment minus half of your self-employment tax are under \$400), include the net amount in earned income on line 5 of the EIC Worksheet in the Form 1040 instructions. However, see *Table 4*, to figure the amount to enter on line 5 of the EIC Worksheet.

Table 4. If you were self-employed or you reported your income and expenses on Schedule C (or Schedule C–EZ) as a statutory employee, use Table 4 on page 24 to figure the amount to enter on line 5 of the EIC Worksheet in the Form 1040 instructions.

Table 4. How to Figure Line 5 of the EIC Worksheet
(Keep for your records)

1. If you are filing Schedule SE:

a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies **1a.** _____

b. Enter the amount, if any, from Schedule SE, Section B, line 4b **1b.** _____

c. Add lines 1a and 1b **1c.** _____

d. Enter the amount from Form 1040, line 25 **1d.** _____

e. Subtract line 1d from line 1c **1e.** _____

2. If you are NOT filing Schedule SE because your net earnings from self-employment were less than \$400 or you had a net (loss), complete lines 2a through 2c. But do not include on these lines any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or 4361.

a. Enter any net farm profit or (loss) from Schedule F, line 36, and farm partnerships, Schedule K-1 (Form 1065), line 15a **2a.** _____

b. Enter any net profit or (loss) from Schedule C, line 31, Schedule C-EZ, line 3, and Schedule K-1 (Form 1065), line 15a (other than farming) **2b.** _____

c. Add lines 2a and 2b. Enter the total even if a loss **2c.** _____

3. If you are filing Schedule C or C-EZ as a statutory employee, enter the amount from line 1 of that Schedule C or C-EZ. 3. _____

4. Add lines 1e, 2c, and 3. Enter the total here and on line 5 of the EIC Worksheet, even if a loss. If the result is a loss, enter it in parentheses and read the Caution below 4. _____

Caution: If line 5 of the EIC Worksheet is a loss, subtract it from the total of lines 3 and 4 of that worksheet and enter the result on line 6. If the result is zero or less, you **can't** take the earned income credit.

Important note. If you are filing a joint return and your spouse was also self-employed or reported income and expenses on Schedule C (or Schedule C-EZ) as a statutory employee, add your spouse's amounts to yours to figure the amount to enter on line 5 of the EIC

Worksheet in the Form 1040 instructions.

Ministers and members of religious orders. If you can claim the earned income credit and are filing Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on Form 1040, line 7, follow these special rules.

- 1) Write "**Clergy**" to the right of line 56, Form 1040.
- 2) Determine how much of the income reported on Form 1040, line 7, was also reported on Schedule SE, line 2.
- 3) Subtract that income from the amount on Form 1040, line 7. Enter only the difference on line 1 of the EIC Worksheet in the Form 1040 instructions.
- 4) Complete Table 4 to determine the amount to enter on the EIC Worksheet, line 5 in the Form 1040 instructions. Use the figures from the completed Schedule SE to enter on Table 4.

If you received a housing allowance or were provided housing, do not include the allowance or rental value of the parsonage as nontaxable earned income on the EIC Worksheet, line 4 in the Form 1040 instructions (or in the spaces provided on line 56). This income should already be included on Schedule SE, line 2.

Statutory employee. Statutory employees are generally considered self-employed. However, the amounts received by statutory employees have social security and Medicare taxes withheld. For purposes of the earned income credit, statutory employees are treated as employees. Therefore, the gross (total) amount received from employment is included in earned income. The four types of statutory employees are:

- 1) An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- 2) A full-time life insurance salesperson.
- 3) A homemaker who works by the guidelines of the person for whom the work is done, with materials furnished by and returned to that person or to someone that person designates.
- 4) A traveling or city salesperson (other than an agent-driver or commission-driver) who works full time (except for sideline sales activities) for one firm or person getting orders from customers. The order must be for items for resale or use as supplies in the customer's business. The customers must be retailers, wholesalers, contractors, or operators of hotels, restaurants, or other businesses dealing with food or lodging.

If you were a statutory employee and you reported your income and expenses on Schedule C (Form 1040) (or Schedule C-EZ), your earned income includes the amount on line 1 of Schedule C (or Schedule C-EZ).

If you need further information about statutory employees, see Publication 937, *Employment Taxes*.

Approved Form 4361 and Form 4029. This section is for persons who have an approved:

- Form 4361, *Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners*, or
- Form 4029, *Application for Exemption from Social Security and Medicare Taxes and Waiver of Benefits*.

Each approved form exempts certain income from the self-employment tax. Each form is discussed in this section in terms of what is or is not earned income for purposes of the earned income credit.

Form 4361. If you have an approved Form 4361, amounts you received for performing ministerial duties as an employee are earned income. This includes wages, salaries, tips, and other employee compensation. Other employee compensation includes nontaxable compensation such as housing allowances or the rental value of a parsonage that you receive as part of your pay for services as an employee.

Amounts you received in the exercise of ministerial duties, but not as an employee, are not earned income. Examples include fees for performing marriages and honoraria for delivering speeches.

Any compensation you received from an undertaking unrelated to the ministry is earned income. This is so, whether you received the amounts as an employee or as a self-employed individual.

Form 4029. If you have an approved Form 4029, all wages, salaries, tips, and other employee compensation are earned income. Amounts you received as a self-employed individual are not earned income. Also, losses from Schedule C, C-EZ, or F cannot be subtracted from wages on line 7 of Form 1040.

How To Figure the Credit

Once you know that you qualify for the earned income credit, you need to know how to figure the amount of the credit. You have two choices of how to figure the credit.

- 1) Have the IRS figure the credit for you. If you would like to do this, see *IRS Will Figure Your Credit for You*, on this page, or
- 2) If you want to figure the credit yourself, complete the EIC Worksheet and enter the amount of the credit on line 56 (Form 1040), line 28c (Form 1040A), or on line 7 (Form 1040EZ).

Earned income credit table. There is only one earned income credit table for 1994. You use this table and the column (No children) to find the amount of your credit. The table begins on page 38.

Alternative minimum tax (AMT). The tax laws give special treatment to some kinds of income and expenses. This special treatment could substantially reduce or eliminate an individual's income tax. So that taxpayers who benefit from these laws will pay at least a

minimum amount of tax, there is a special tax called the AMT.

You may have to pay the AMT if your taxable income for regular tax purposes, combined with any of the adjustments and preference items that apply to you, totals more than:

- **\$45,000** if you are married filing a joint return (or a qualifying widow(er) with dependent child)
- **\$33,750** if your filing status is head of household or single

You **must** reduce your earned income credit by the amount of any AMT you have for the tax year. If you owe the AMT (Form 1040, line 48), reduce the amount which you enter on line 10 of the Form 1040 EIC Worksheet by the amount on line 48 of Form 1040. Next, enter the result (if more than zero) on Form 1040, line 56. Then replace the amount on the Form 1040 EIC Worksheet, line 10, with the amount entered on Form 1040, line 56.

If you file Form 1040A and included AMT on line 27, subtract your AMT from the amount on line 9 of the Form 1040A EIC Worksheet. Next, enter the result (if more than zero) on Form 1040A, line 28c. Then replace the amount on the Form 1040A EIC Worksheet, line 9, with the amount entered on Form 1040A, line 28c. See Form 6251, *Alternative Minimum Tax—Individuals*, for more information.

How To Claim the Credit

If you want the IRS to figure your credit for you, skip this part and go to *IRS Will Figure Your Credit for You* on this page. If you want to figure the credit yourself, you must do the following:

- File either Form 1040, 1040A, or 1040EZ.
- Complete the **EIC Worksheet** to figure the amount of your credit. The Worksheet does not have to be attached to your return. You should, however, keep it with your tax records. The instructions for Form 1040, 1040A, and 1040EZ contain an EIC Worksheet for your use.
- If you received advance earned income credit payments in 1994, you **must** file Form 1040 or 1040A. Form W-2, box 9, shows the amount of advance payments you received during 1994. Include the **advance payments** you received in 1994 on line 52, Form 1040 or line 26, Form 1040A. To find out if you can get advance payments of the earned income credit, see Part III on page 31.
- Enter your earned income credit on line 56 (Form 1040), line 28c (Form 1040A), or line 7 (Form 1040EZ).

IRS Will Figure Your Credit for You

There are certain instructions you must follow before IRS can figure the credit for you.

Form 1040. If you are filing Form 1040 and you want the IRS to figure the credit for you, you must fill out parts of Form 1040 and also:

- Enter any advance earned income credit payments received in 1994 on line 52,
- Write **EIC** next to line 56. Also, if you have any earned income that is not taxed, enter the amount and type of income in the spaces on line 56. See Table 3 on page 22 for examples of earned income that is not taxed.

To see which lines on Form 1040 you must fill out, go to the Form 1040 instructions and see *The IRS Will Figure Your Tax and Some of Your Credits*.

Form 1040A. If you are filing Form 1040A and you want the IRS to figure the credit for you, you must:

- Fill in the parts of Form 1040A through line 22 that apply to you.
- If you file a joint return, use the space to the left of line 22 to separately show your own and your spouse's taxable income.
- Complete lines 24a, 24b, 26, 28a, 28b, and any write-ins on line 28d, if they apply to you. If you received any advance earned income credit payments, show the amount of the payment on line 26.
- Attach the first copy or Copy B of all your W-2 and 1099-R forms that show federal income tax withheld.
- Fill in and attach any schedules or forms asked for on the lines you completed.
- Write "**EIC**" next to line 28c. Also, if you have earned income that is not taxed, enter the amount and type of income in the spaces provided. See Table 3 on page 22 for examples of earned income that is not taxed.
- Sign and date your return (both spouses must sign a joint return) and enter your occupations.
- Mail your return by April 17, 1995.

Form 1040EZ. If you are filing Form 1040EZ and you want the IRS to figure the credit for you, you must:

- 1) Fill in lines 1-6.
- 2) If you file a joint return, use the space under the "Note" to the left of line 5 to separately show your own and your spouse's taxable income.
- 3) Fill in the type and amount of any nontaxable earned income in the spaces "Type" and "\$" next to line 7.
- 4) If you can take the credit, then print "EIC" on line 7 in the space to the right of the words "earned income below."
- 5) Attach the first copy or Copy B of all your W-2 forms.
- 6) Sign and date your return and enter your occupation. If filing a joint return, both spouses must sign.
- 7) Mail your return by April 17, 1995.

When and where to file your return. You can file your tax return any time between January 1, 1995, and April 17, 1995. The earlier you file, the sooner you will receive your refund, if any. Mail your filled-in return and all attachments to the Internal Revenue Service Center designated for the state or area where you live. Use the addressed envelope that came with your tax package, or use one of your own if you do not have the addressed envelope. If you do not have the addressed envelope, or if you moved during the year, see *Where do I file?* in your Form 1040A, 1040, or 1040EZ instructions.

How To Figure the Credit Yourself

There are certain instructions you must follow if you want to figure the credit yourself.

Form 1040A and EIC Worksheet

Figure the amount of your credit on the EIC Worksheet if you meet all the rules on page 20 and your total earned income (line 7, Form 1040A) and your adjusted gross income (line 16, Form 1040A) are each less than \$9,000. Do not attach the EIC Worksheet to your return. Schedule EIC is completed only if you have a qualifying child.

If you **do not** meet all the rules on page 20, then you do not qualify for the earned income credit. If you do not qualify, enter "No" next to line 28c, Form 1040A.

If you want the IRS to figure your credit, see *IRS Will Figure Your Credit for You* on page 25.

Important note. If Form 1040A, line 7, includes an amount from a taxable scholarship or fellowship grant that was not reported on your Form W-2, enter the total Form 1040A line 7 amount on line 1 of the EIC Worksheet. Next, enter the amount of the scholarship or fellowship grant (that was not reported on your W-2) on line 2 of the EIC Worksheet. Then subtract line 2 from line 1 and enter the result on line 3.

Form 1040 and EIC Worksheet

Figure the amount of your credit on the EIC Worksheet if you meet the rules on page 20 and your total earned income (line 7, Form 1040) and your adjusted gross income (line 31, Form 1040) are each less than \$9,000. Do not attach the EIC Worksheet to your return.

If you **do not** meet all the rules on page 20, then you do not qualify for the earned income credit. If you do not qualify, enter "No" next to line 56, Form 1040.

If you want the IRS to figure your credit, see *IRS Will Figure Your Credit for You* on page 25.

Important note. If Form 1040, line 7, includes an amount for a taxable scholarship or fellowship grant that was not reported on your Form W-2, enter the total Form 1040 line 7 amount on line 1 of the EIC Worksheet. Next, enter the amount of the scholarship or fellowship grant (that was not reported on your W-2) on line 2 of the EIC Worksheet. Then subtract line 2 from line 1 and enter the result on line 3.

Form 1040EZ and EIC Worksheet

Figure the amount of your credit on the Form 1040EZ EIC Worksheet if you meet the rules on page 20 and your total earned income (line 1, Form 1040EZ) and your adjusted gross income (line 3, Form 1040EZ) are each less than \$9,000. Do not attach the EIC Worksheet to your Form 1040EZ return. See the examples that follow.

If you **do not** meet all the rules on page 20, then you do not qualify for the earned income credit. If you do not qualify, enter “No” next to line 7, Form 1040EZ.

If you want the IRS to figure your credit, see *IRS Will Figure Your Credit for You* on page 25.

Important note. If Form 1040EZ, line 1, includes an amount for a taxable scholarship or fellowship grant that was not reported on your Form W-2, enter the total Form 1040EZ line 1 amount on line 1 of the EIC Worksheet. Next, enter the amount of the scholarship or fellowship grant (that was not reported on your W-2) on line 2 of the EIC Worksheet. Then subtract line 2 from line 1 and enter the result on line 3.

Remember— If you have a qualifying child, you cannot use Form 1040EZ.

Example 1—Form 1040EZ

Sharon Rose is age 63 and retired. She received \$7,000 of social security in 1994. She earned \$4,850 from a part-time job. She had no other income. Sharon lived in the United States for the entire year and cannot be claimed as a dependent on anyone else’s return. Her children are grown and support themselves. She qualifies for the earned income credit and will complete the EIC Worksheet to figure her credit.

Sharon does not have to file a tax return. However, in order to get the earned income credit, she must file a return and complete the EIC Worksheet. Sharon will file Form 1040EZ and complete the EIC Worksheet. The steps she uses and her completed EIC Worksheet follow.

Completing the EIC Worksheet

Sharon figures the amount of her earned income credit on the *Earned Income Credit Worksheet* as follows:

Line 1. She enters \$4,850 from Form 1040EZ, line 1 here.

Line 2. Sharon leaves this line blank because she did not receive any scholarships or fellowship grants.

Line 3. She subtracts line 2 from line 1 and enters \$4,850 here.

Line 4. Sharon leaves this line blank because she does not have any nontaxable earned income. Her social security (\$7,000) is not earned income and is not taxable. Publication 915, *Social Security Benefits and Equivalent Railroad Retirement Benefits*, has information about the taxability of social security benefits.

Line 5. She adds lines 3 and 4 and enters \$4,850 here. This is her total earned income.

Line 6. To find her credit, Sharon goes to the *Earned Income Credit Table* on page 38. She finds her earned income of \$4,850 (from line 5 above) in the range of \$4,850 to \$4,900. Sharon follows this line across to the column “No children” and finds \$306. She enters \$306 on line 6.

If the amount on the Form 1040EZ EIC Worksheet, line 5 or line 7, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
4,800	4,850	306	1,269	1,448
4,850	4,900	306	1,282	1,463
4,900	4,950	306	1,295	1,478
4,950	5,000	306	1,308	1,493

Line 7. She enters \$4,850 from Form 1040EZ, line 3.

Line 8. Sharon checks the box for **No** and follows the instruction because her adjusted gross income of \$4,850 is less than \$5,000.

Line 9. Because Sharon checked the **NO** box for line 8, she enters \$306 from line 6 here and on Form 1040EZ, line 7. The \$306 is Sharon’s earned income credit.

Rose EIC Worksheet-line 7

Example 2—Form 1040EZ

Kelly Green is age 30 and a full-time student. She lived with her parents in the United States for all of 1994. She had a part-time job and earned \$6,040. She earned \$20 interest on a savings account. She is not a dependent on her parents’ return because she does not meet the gross income test. She does not have any children. Kelly qualifies for the earned income credit. Kelly will file Form 1040EZ and complete the Form 1040EZ EIC Worksheet. The steps she uses and her completed EIC Worksheet follow.

Completing the EIC Worksheet

Kelly figures the amount of her earned income credit on the *Earned Income Credit Worksheet* as follows:

Line 1. She enters \$6,040 from Form 1040EZ, line 1 here.

Line 2. Kelly leaves this line blank because she did not receive any scholarships or fellowship grants.

Line 3. She subtracts line 2 from line 1 and enters \$6,040 here.

Line 4. Kelly leaves this line blank because all her income is taxable.

Line 5. She adds lines 3 and 4 and enters \$6,040 here. This is her total earned income.

Line 6. To find her credit, Kelly goes to the *Earned Income Credit Table* on page 38. She finds her earned income of \$6,040 (from line 5 above) in the range of

Earned income credit worksheet—Line 7 (keep for your records)

1. Enter the amount from Form 1040EZ, line 1. 1. 4,850
2. If you received a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, enter that amount here. 2. _____
3. Subtract line 2 from line 1. 3. 4,850
4. Enter any **nontaxable earned income** (see page 18). Types of nontaxable earned income include contributions to a 401(k) plan, which should be shown in box 13 of your W-2 form, and military housing and subsistence. 4. _____
5. Add lines 3 and 4. 5. 4,850
- Caution: If line 5 is \$9,000 or more, you cannot take the credit. Print "NO" next to line 7 of Form 1040EZ.*
6. Look up the amount on line 5 above in the **EIC Table** on page 19 to find your credit. Enter the credit here. 6. 306
7. Enter the amount from Form 1040EZ, line 3. 7. 4,850
8. Is line 7 \$5,000 or more?
- YES. Look up the amount on line 7 above in the **EIC Table** on page 19 to find your credit. Enter the credit here. 8. _____
- NO. Go to line 9.
9. **Earned income credit.**
- If you checked "YES" on line 8, enter the **smaller** of line 6 or line 8.
 - If you checked "NO" on line 8, enter the amount from line 6. 9. 306

Next: Take the amount from line 9 above and enter it on Form 1040EZ, line 7.

AND

If you had any nontaxable earned income (see line 4 above), enter the type and amount of that income in the spaces marked "Type" and "\$" on line 7.

\$6,000 to \$6,050. Kelly follows this line across to the column "No children" and finds \$228.

If the amount on the Form 1040EZ EIC Worksheet, line 5 or line 7, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
6,000	6,050	228	1,585	1,808
6,050	6,100	224	1,598	1,823
6,100	6,150	220	1,611	1,838
6,150	6,200	216	1,624	1,853

Line 7. She enters \$6,060 from Form 1040EZ, line 3.

Line 8. Kelly checks the box for **Yes** and follows the instruction because her adjusted gross income of \$6,060 is more than \$5,000. Kelly again goes to the *Earned Income Credit Table* to find the amount of the credit based on her adjusted gross income. She finds \$6,060 in the range of \$6,050 to \$6,100. Kelly follows this line across to the column "No children" and finds \$224. Kelly enters \$224 here.

If the amount on the Form 1040EZ EIC Worksheet, line 5 or line 7, is—		And you listed—		
		No children	One child	Two children
At least	But less than	Your credit is—		
6,000	6,050	228	1,585	1,808
6,050	6,100	224	1,598	1,823
6,100	6,150	220	1,611	1,838
6,150	6,200	216	1,624	1,853

Line 9. Because Kelly checked the **Yes** box for line 8, she enters the smaller of \$228 (line 6) or \$224 (line 8). She enters \$224 here and on Form 1040EZ, line 7. The \$224 is Kelly's earned income credit. Kelly EIC worksheet-line 7

Part III. Advance Earned Income Credit Payments

Would you like to get part of your earned income credit now instead of waiting until after the end of the year? If you work for someone and expect to qualify for the earned income credit in 1995, you can choose to get part of the credit in advance. Give your employer a 1995 Form W-5, *Earned Income Credit Advance Payment Certificate*, and your employer will include part of the credit regularly in your pay. The advance payment is only available if you have at least one qualifying child.

You Can Get Part Of The Credit For One Child *IN ADVANCE* Regularly In Your Paycheck.

Fill Out —

To Get:

W-5

**\$ PAYCHECK +
PART OF CREDIT
IN ADVANCE**

Who can get the advance payment of the earned income credit? There are certain basic rules you must meet to see if you can get part of the earned income credit paid to you throughout the year in your paycheck. You must:

- 1) Work and earn less than \$24,396 for 1995,
- 2) Have a qualifying child, and
- 3) Meet all the rules on page 4 of this publication or in the instructions for Form W-5 to get the earned income credit.

Advance Earned Income Credit Payments Received in 1994

If you received advance payments of the earned income credit in 1994, you must file a tax return to report the payments. Report the amount on line 52, Form 1040 (or line 26, Form 1040A). Your Form W-2, box 9, will show the amount you received. You cannot use Form 1040EZ to report your advance payments.

Example. Gene and Mary White expect to file a joint return for 1994. Gene earned \$15,000 in 1994. Mary did not work but received \$110 in interest from her savings account. They have a son, Guy, who lived with them all year. The Whites qualify for the earned income credit and wanted to receive it in advance during 1994. Gene gave a 1994 Form W-5 to his employer. If Gene wants to receive the advance credit in 1995, he must fill out a 1995 Form W-5 and give it to his employer. The filled-in 1995 Form W-5 is shown on pages 33 and 34.

During 1994, Gene received \$832 of advance earned income credit payments in his weekly pay. This amount is shown in box 9 of Gene's 1994 Form W-2. The Whites must file a 1994 return to report the \$832. They file a joint return using Form 1040A and enter the \$832 on line 26.

Earned income credit worksheet—Line 7 (keep for your records)

1. Enter the amount from Form 1040EZ, line 1. 1. 6,040
2. If you received a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, enter that amount here. 2. _____
3. Subtract line 2 from line 1. 3. 6,040
4. Enter any nontaxable earned income (see page 18). Types of nontaxable earned income include contributions to a 401(k) plan, which should be shown in box 13 of your W-2 form, and military housing and subsistence. 4. _____
5. Add lines 3 and 4. 5. 6,040
- Caution: If line 5 is \$9,000 or more, you cannot take the credit. Print "NO" next to line 7 of Form 1040EZ.*
6. Look up the amount on line 5 above in the EIC Table on page 19 to find your credit. Enter the credit here. 6. 228
7. Enter the amount from Form 1040EZ, line 3. 7. 6,060
8. Is line 7 \$5,000 or more?
- YES. Look up the amount on line 7 above in the EIC Table on page 19 to find your credit. Enter the credit here. 8. 224
- NO. Go to line 9.
9. Earned income credit.
- If you checked "YES" on line 8, enter the smaller of line 6 or line 8.
 - If you checked "NO" on line 8, enter the amount from line 6.
9. 224

Next: Take the amount from line 9 above and enter it on Form 1040EZ, line 7.

AND

If you had any nontaxable earned income (see line 4 above), enter the type and amount of that income in the spaces marked "Type" and "\$" on line 7.

When they file their return, they will claim a credit of \$1,379. They subtract \$1,044 (\$212 tax liability plus \$832 advance payment) from \$1,679 (\$300 tax withheld plus \$1,379 earned income credit). They find that they will get a refund of \$635. The Whites fill out Schedule EIC (because they have a qualifying child) and attach it to their tax return. They also fill out the Form 1040A EIC Worksheet to figure the amount of their credit. Schedule EIC and the Form 1040A EIC Worksheet are not shown for the Whites. See Gene and Mary White's completed 1994 Form 1040A on pages 35 and 36.

Persons who are not entitled to receive advance payments. Under certain circumstances, even if you meet the rules for receiving part of the earned income credit in advance, you may not be entitled to get it. If your wages are not subject to federal income tax, social security tax, or Medicare tax withholding, you cannot get the advance payment of the earned income credit. If you are a farm worker and are paid on a daily basis, your employer is not required to pay you the advance amount of the credit.

How To Get Advance Payments for 1995

To get part of the credit in advance, you must fill out a 1995 Form W-5. After you have read the instructions and answered the questions on Form W-5, give the bottom part of the form to your employer. Keep the top part for your records.

If you have more than one employer, give a certificate to only one of them. If you are married and both you and your spouse are employed and expect to qualify for the credit, you may give a Form W-5 to your employer and your spouse may give one to his or her employer.

Important note. If you receive advance earned income credit payments in 1995, you must file Form 1040 or Form 1040A for 1995. You must file a return to report what you already received and to take advantage of any additional earned income credit that you may qualify for.

If you receive advance payments of the earned income credit and later find out that you do not qualify for the credit, you will have to pay back any advance payment you received when you file your Form 1040 or Form 1040A.

The 1995 Form W-5 you give to your employer is valid until December 31, 1995. If you expect to qualify for the earned income credit in 1996 and you want to receive advance payments, you must give your employer a **new** Form W-5 in 1996. You do this each year you think you are eligible for the credit.

When to give your employer a new Form W-5. If your situation changes after you give your employer a Form W-5, and you no longer qualify for the earned income credit, you must give your employer a new Form W-5. Check the **NO** box in question 1 on the new form to show that you are not eligible to get advance payments.

If your spouse files a Form W-5 with his or her employer, you must file a new Form W-5 with your employer. Check the **Yes** box in question 4 that your spouse has filed a Form W-5.

If you no longer want to get advance payments of the earned income credit, you must fill out another Form W-5 and give it to your employer. Check the **NO** box in question 1 on the new form to show that you no longer want to get advance payments.

Checklist and Table For Figuring the Credit

The pages that follow have some helpful information you may need. They are:

- Gene White's 1995 W-5, page 33 and 34,
- Gene and Mary White's 1994 Form 1040A, pages 35 and 36,
- Eligibility Checklist. This is your final check to see if you really do qualify for the earned income credit, page 37, and
- The Earned Income Credit Table, beginning on page 38.

White's filled-in W-5 page 1
White's filled-in W-5 page 2
White's Form 1040A page 1
White's Form 1040A page 2
Earned income credit table page 1
Earned income credit table page 2

Earned Income Credit Advance Payment Certificate

1995

Instructions

Purpose

Use Form W-5 if you are eligible to get part of the earned income credit (EIC) in advance with your pay and choose to do so. If you choose not to get advance payments, you can still claim the EIC on your 1995 tax return.

Caution: At the time this form went to print, Congress was considering legislation that would (1) allow certain members of the Armed Forces stationed outside the United States to claim the EIC and get advance payment of the EIC for 1995, (2) require the reporting of social security numbers for qualifying children born before November 1, 1995, and (3) make most nonresident aliens ineligible to claim the EIC for 1995. For later information about this legislation, get Pub. 553, Highlights of 1994 Tax Law Changes.

What is the EIC?

The EIC is a special credit for certain workers. It reduces tax you owe. It may give you a refund even if you don't owe any tax. For 1995, the EIC can be as much as \$2,094 if you have one qualifying child; \$3,110 if you have more than one qualifying child; \$314 if you do not have a qualifying child. See **Who Is a Qualifying Child?** later. But you cannot get advance EIC payments unless you have a qualifying child.

Who Is Eligible To Get Advance EIC Payments?

You are eligible to get advance EIC payments if all three of the following apply:

- 1. You have at least one qualifying child.

2. You expect that your 1995 earned income and adjusted gross income will each be less than \$24,396 (including your spouse's income if you expect to file a joint return).

3. You expect to be able to claim the EIC for 1995. To find out if you may be able to claim the EIC, answer the questions on page 2. If you expect to file Form 2566, Foreign Earned Income, or Form 2555-EZ, Foreign Earned Income Exclusion, for 1995, you cannot claim the EIC.

How Do I Get Advance EIC Payments?

If you are eligible to get advance EIC payments for 1995, you may be able to get up to \$105 a month added to your take-home pay. To get advance EIC payments, 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 1995 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, you should file separate Forms W-5.

This Form W-5 expires on December 31, 1995. If you are eligible to get advance EIC payments for 1996, you must file a new Form W-5 next year.

Note: You may be able to get a larger credit when you file your 1995 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 1995, or is permanently and totally disabled.

3. The child lives with you in the United States for more than half of 1995 (for all of 1995 if a foster child). If the child does not live with you for the required time because the child was born or died in 1995, the child is considered to have lived with you for all of 1995 if your home in the United States was the child's home for the entire time he or she was alive in 1995.

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 1995, the child is a qualifying child only if you may claim the child as your dependent or the following Exception applies to you.

Exception. 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 1995, or

(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

Gene A. White

Earned Income Credit Advance Payment Certificate

▶ Give this certificate to your employer.
▶ This certificate expires on December 31, 1995.

OMB No. 1545-1342

1995

Your social security number

222-00-1111

Note: If you get advance payments of the earned income credit for 1995, you must file a 1995 Form 1040A or Form 1040. To get advance payments, you must have a qualifying child and 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 1995, I do not have another Form W-5 in effect with any other current employer, and I choose to get advance EIC payments.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Do you have a qualifying child?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Are you married?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4 If you are married, does your spouse have a Form W-5 in effect for 1995 with any employer?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 ▶ *Gene A. White*

Date ▶ *1/18/95*

Questions To See If You May Be Able To Claim the EIC for 1995

- 1 Do you have a qualifying child? Read **Who Is a Qualifying Child?** on page 1 before you answer this question. If the child is married, be sure you also read **Married child** on page 1.
- No. Stop here.** You may be able to claim the EIC but you cannot get advance EIC payments.
- Yes. Continue.**
- Caution:** If the child is a qualifying child for both you and another person, the child is your qualifying child only if you expect your 1995 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 1995, this rule doesn't apply.
- 2 Do you expect your 1995 filing status to be Married filing a separate return?
- Yes. Stop here.** You cannot claim the EIC.
- No. Continue.**
- 3 Do you expect that your 1995 earned income and adjusted gross income will each be less than \$24,396 (less than \$26,673 if you have more than one qualifying child)? If you expect to file a joint return for 1995, include your spouse's income when answering this question.
- TIP:** To find out what is included in adjusted gross income, you can look at page 1 of your 1994 Form 1040EZ, Form 1040A, or Form 1040.
- No. Stop here.** You cannot claim the EIC.
- Yes. Continue.** But remember, you cannot get advance EIC payments if you expect your 1995 earned income or adjusted gross income will be \$24,396 or more.
- 4 Do you expect to be a qualifying child of another person for 1995?
- No. You may be able to claim the EIC.**
- Yes. You cannot claim the EIC.**

• 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 1995.

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 1995 may treat that child as a qualifying child. If the other person is your spouse and you expect to file a joint return for 1995, this rule doesn't apply.

Reminder.—You must get a social security number for a qualifying child born before 1995.

What If My Situation Changes?

If your situation changes after you give Form W-5 to your employer, you usually will need to file a new Form W-5. For example, you should file a new Form W-5 if any of the following applies for 1995:

- You no longer have a qualifying child. Check "No" on line 2 of your new Form W-5.
- You expect your filing status to be Married filing separately, you expect to be a qualifying child of another person, or you expect your earned income or adjusted gross income to be \$24,396 or more. Check "No" on line 1 of your new Form W-5.
- You no longer want advance payments. Check "No" on line 1 of your new Form W-5.

• Your spouse files Form W-5 with his or her employer. Check "Yes" on line 4 of your new Form W-5.

Note: If you get the EIC with your pay and find you are not eligible, you must pay it back when you file your 1995 Federal income tax return.

Additional Information

How To Claim the EIC

If you have at least one qualifying child, fill in and attach Schedule EIC to your 1995 Form 1040 or Form 1040A. In addition to other information, the social security number of your qualifying child born before 1995 must be shown on Schedule EIC. To figure your EIC, use the worksheet in your 1995 Form 1040 or Form 1040A instruction booklet.

Additional Credit

You may be able to claim a larger credit when you file your 1995 tax return because your employer is not permitted to give you more than \$1,257 of the EIC in advance with your pay. You may also be able to claim a larger credit if you have more than one qualifying child. But you must file your 1995 tax return to claim any additional credit.

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**, 9 min.; and **Preparing the form**, 26 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Attention: Tax Forms Committee, PC:FP, Washington, DC 20224; 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.

Label
(See page 16.)

Use the IRS label. Otherwise, please print or type.

L A B E L H E R E	Your first name and initial Gene A	Last name White
	If a joint return, spouse's first name and initial Mary B	Last name White
	Home address (number and street). If you have a P.O. box, see page 17. 44 Pepper Tree Ct	
	City, town or post office, state, and ZIP code. If you have a foreign address, see page 17. Anytown, NY 00000	

Your social security number
222:00:1111

Spouse's social security number
333:00:3333

For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Note: Checking "Yes" will not change your tax or reduce your refund.

Presidential Election Campaign Fund (See page 17.)

Do you want \$3 to go to this fund?	Yes	No
If a joint return, does your spouse want \$3 to go to this fund?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Check the box for your filing status

(See page 17.)
Check only one box.

- 1 Single
- 2 Married filing joint return (even if only one had income)
- 3 Married filing separate return. Enter spouse's social security number above and full name here. ▶
- 4 Head of household (with qualifying person). (See page 18.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
- 5 Qualifying widow(er) with dependent child (year spouse died ▶ 19). (See page 19.)

Figure your exemptions

(See page 20.)

If more than seven dependents, see page 23.

6a Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a. But be sure to check the box on line 18b on page 2.

b Spouse

c Dependents:	(2) Check if under age 1	(3) If age 1 or older, dependent's social security number	(4) Dependent's relationship to you	(5) No. of months lived in your home in 1994	No. of boxes checked on 6a and 6b	No. of your children on 6c who:
(1) Name (first, initial, and last name) Guy T. White		444 00 4444	Son	12	2	• lived with you 1
						• didn't live with you due to divorce or separation (see page 23)
						Dependents on 6c not entered above
						Add numbers entered on lines above 3

d If your child didn't live with you but is claimed as your dependent under a pre-1985 agreement, check here

e Total number of exemptions claimed.

Figure your total income

Attach Copy B of your Forms W-2 and 1099-R here.

If you didn't get a W-2, see page 25.

Enclose, but do not attach, any payment with your return.

7	Wages, salaries, tips, etc. This should be shown in box 1 of your W-2 form(s). Attach Form(s) W-2.	7	15,000
8a	Taxable interest income (see page 25). If over \$400, attach Schedule 1.	8a	110
b	Tax-exempt interest. DO NOT include on line 8a.	8b	
9	Dividends. If over \$400, attach Schedule 1.	9	
10a	Total IRA distributions.	10a	
10b	Taxable amount (see page 26).	10b	
11a	Total pensions and annuities.	11a	
11b	Taxable amount (see page 27).	11b	
12	Unemployment compensation (see page 30).	12	
13a	Social security benefits.	13a	
13b	Taxable amount (see page 31).	13b	
14	Add lines 7 through 13b (far right column). This is your total income.	14	15,110
15a	Your IRA deduction (see page 34).	15a	
b	Spouse's IRA deduction (see page 34).	15b	
c	Add lines 15a and 15b. These are your total adjustments.	15c	
16	Subtract line 15c from line 14. This is your adjusted gross income. If less than \$25,296 and a child lived with you (less than \$9,000 if a child didn't live with you), see "Earned income credit" on page 44.	16	15,110

Figure your adjusted gross income

Figure your standard deduction, exemption amount, and taxable income

17 Enter the amount from line 16. 17 **15,110**

18a Check You were 65 or older Blind } Enter number of boxes checked ▶ 18a
 if: Spouse was 65 or older Blind }
 b If your parent (or someone else) can claim you as a dependent, check here. ▶ 18b
 c If you are married filing separately and your spouse files Form 1040 and itemizes deductions, see page 38 and check here. ▶ 18c

19 Enter the **standard deduction** shown below for your filing status. But if you checked any box on line 18a or b, go to page 38 to find your standard deduction. If you checked box 18c, enter -0-.

- Single—\$3,800 • Married filing jointly or Qualifying widow(er)—\$6,350
- Head of household—\$5,600 • Married filing separately—\$3,175

20 Subtract line 19 from line 17. If line 19 is more than line 17, enter -0-. 19 **6,350**

21 Multiply \$2,450 by the total number of exemptions claimed on line 6e. 20 **8,760**

22 Subtract line 21 from line 20. If line 21 is more than line 20, enter -0-. This is your **taxable income**. 21 **7,350**

▶ 22 **1,410**

Figure your tax, credits, and payments

If you want the IRS to figure your tax, see the instructions for line 22 on page 39.

23 Find the tax on the amount on line 22. Check if from:
 Tax Table (pages 62-67) or Form 8615 (see page 40). 23 **212**

24a Credit for child and dependent care expenses. Attach Schedule 2. 24a

b Credit for the elderly or the disabled. Attach Schedule 3. 24b

c Add lines 24a and 24b. These are your **total credits**. 24c

25 Subtract line 24c from line 23. If line 24c is more than line 23, enter -0-. 25 **212**

26 Advance earned income credit payments from Form W-2. 26 **832**

27 Add lines 25 and 26. This is your **total tax**. 27 **1,044**

28a Total Federal income tax withheld. If any tax is from Form(s) 1099, check here. ▶ 28a **300**

b 1994 estimated tax payments and amount applied from 1993 return. 28b

c **Earned income credit**. If required, attach Schedule EIC (see page 44). 28c **1,379**

Nontaxable earned income: amount ▶ and type ▶

d Add lines 28a, 28b, and 28c (don't include nontaxable earned income). These are your **total payments**. ▶ 28d **1,679**

Figure your refund or amount you owe

29 If line 28d is more than line 27, subtract line 27 from line 28d. This is the amount you **overpaid**. 29 **635**

30 Amount of line 29 you want **refunded to you**. 30 **635**

31 Amount of line 29 you want **applied to your 1995 estimated tax**. 31

32 If line 27 is more than line 28d, subtract line 28d from line 27. This is the **amount you owe**. For details on how to pay, including what to write on your payment, see page 52. 32

33 Estimated tax penalty (see page 52). Also, include on line 32. 33

Sign your return

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Keep a copy of this return for your records.	Your signature <i>Helen A. White</i>	Date 2-15-95	Your occupation Welder
	Spouse's signature. If joint return, BOTH must sign. <i>Mary B. White</i>	Date 2-15-95	Spouse's occupation Domestic Engineer
Paid preparer's use only	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed) and	Preparer's social security no.	

Earned Income Credit (EIC) Eligibility Checklist

**CAN YOU REALLY CLAIM THE EARNED INCOME CREDIT?
(For use in preparing 1994 tax returns)**

*You may claim the earned income credit if you answer YES to all the following questions.**

- | | YES | NO |
|--|-----|----|
| 1. Is the total of your taxable and nontaxable earned income at least \$1 but less than:
<ul style="list-style-type: none"> • \$ 9,000 if you do not have a qualifying child • \$23,755 if you have one qualifying child • \$25,296 if you have more than one qualifying child | ← | ← |
| 2. Is your adjusted gross income (Form 1040, line 31; Form 1040A, line 16; Form 1040EZ, line 3) less than:
<ul style="list-style-type: none"> • \$ 9,000 if you do not have a qualifying child • \$23,755 if you have one qualifying child • \$25,296 if you have more than one qualifying child | ← | ← |
| 3. Is your filing status married filing jointly, head of household, qualifying wid ow(er), or single? | ← | ← |
| 4. Answer YES if you are not a qualifying child of another person (See Qualifying child of another person.) | ← | ← |
| 5. Answer YES if you did not file Form 2555 or Form 2555-EZ to exclude from your gross income any income earned in foreign countries or to deduct or exclude a foreign housing amount. | ← | ← |
| 6. Does your return cover a 12-month period? (If you filed a short period return because of an individual's death, answer YES.) | ← | ← |

STOP: If you have a qualifying child, answer question 7 and skip 8. If you do not have a qualifying child, skip 7 and answer 8. (Qualifying child is explained on page 5.)*

- | | | |
|---|---|---|
| 7. • Did your qualifying child live with you in the United States for more than half the year (the whole year if an eligible foster child)? | ← | ← |
| • Answer YES if your qualifying child is also a qualifying child for another person and your adjusted gross income is higher than the other person's. Answer YES if your child is only a qualifying child for you. | ← | ← |
| • If your qualifying child is married, did you claim the child as a dependent? If your qualifying child is not married, check YES (See Qualifying child who is married on page 5 for an exception.) | ← | ← |
| OR | | |
| 8. • Was your main home in the United States for more than half the year? | ← | ← |
| • Were you (or your spouse, if filing a joint return) at least age 25 but less than 65 before the end of your tax year? | ← | ← |
| • No one can claim you as a dependent on their return. If you are not eligible to be a dependent on anyone else's return, check YES . If you are eligible to be claimed as a dependent on someone else's return, check NO . | ← | ← |

* **PERSONS WITH A QUALIFYING CHILD:** If you answered **YES** to questions 1 through 7, you can claim the credit. Remember to fill out Schedule EIC and attach it to your return. Also, use the E IC Worksheet to figure your credit.

PERSONS WITHOUT A QUALIFYING CHILD: If you answered **YES** to questions 1 through 6 and 8, you can claim the credit. Use the EIC Worksheet to figure your credit. Remember, you can now use Form 1040EZ.

IF YOU ANSWERED NO TO ANY QUESTION: You are not eligible for the credit. Enter **NO** next to line 56, Form 1040, or next to line 28c, Form 1040A, or next to line 7, Form 1040EZ.

1994 Earned Income Credit (EIC) Table

Caution: This is not a tax table.

To find your credit: Read down the "At least — But less than" columns under the **INCOME FROM EIC WORKSHEET** column below and find the line that includes the amount entered on line 5 or 7, Form 1040EZ or Form 1040A EIC Worksheet, or line 6 or 8, Form 1040 EIC Worksheet. Then read across to the column that fits your circumstance and enter the credit from that column on line 6 or line 8, Form 1040EZ or 1040A EIC Worksheet, or line 7 or 9, Form 1040 EIC Worksheet.

INCOME FROM EIC WORKSHEET— see "To find your credit" above		And you have—			INCOME FROM EIC WORKSHEET— see "To find your credit" above		And you have—			INCOME FROM EIC WORKSHEET— see "To find your credit" above		And you have—		
At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children
\$1	\$50				3,000	3,050	231	796	908	6,000	6,050	228	1,585	1,808
50	100	6	20	23	3,050	3,100	235	809	923	6,050	6,100	224	1,598	1,823
100	150	10	33	38	3,100	3,150	239	822	938	6,100	6,150	220	1,611	1,838
150	200	13	46	53	3,150	3,200	243	835	953	6,150	6,200	216	1,624	1,853
200	250	17	59	68	3,200	3,250	247	848	968	6,200	6,250	212	1,637	1,868
250	300	21	72	83	3,250	3,300	251	861	983	6,250	6,300	208	1,650	1,883
300	350	25	85	98	3,300	3,350	254	874	998	6,300	6,350	205	1,663	1,898
350	400	29	99	113	3,350	3,400	258	888	1,013	6,350	6,400	201	1,677	1,913
400	450	33	112	128	3,400	3,450	262	901	1,028	6,400	6,450	197	1,690	1,928
450	500	36	125	143	3,450	3,500	266	914	1,043	6,450	6,500	193	1,703	1,943
500	550	40	138	158	3,500	3,550	270	927	1,058	6,500	6,550	189	1,716	1,958
550	600	44	151	173	3,550	3,600	273	940	1,073	6,550	6,600	186	1,729	1,973
600	650	48	164	188	3,600	3,650	277	953	1,088	6,600	6,650	182	1,742	1,988
650	700	52	178	203	3,650	3,700	281	967	1,103	6,650	6,700	178	1,756	2,003
700	750	55	191	218	3,700	3,750	285	980	1,118	6,700	6,750	174	1,769	2,018
750	800	59	204	233	3,750	3,800	289	993	1,133	6,750	6,800	170	1,782	2,033
800	850	63	217	248	3,800	3,850	293	1,006	1,148	6,800	6,850	166	1,795	2,048
850	900	67	230	263	3,850	3,900	296	1,019	1,163	6,850	6,900	163	1,808	2,063
900	950	71	243	278	3,900	3,950	300	1,032	1,178	6,900	6,950	159	1,821	2,078
950	1,000	75	256	293	3,950	4,000	304	1,045	1,193	6,950	7,000	155	1,834	2,093
1,000	1,050	78	270	308	4,000	4,050	306	1,059	1,208	7,000	7,050	151	1,848	2,108
1,050	1,100	82	283	323	4,050	4,100	306	1,072	1,223	7,050	7,100	147	1,861	2,123
1,100	1,150	86	296	338	4,100	4,150	306	1,085	1,238	7,100	7,150	143	1,874	2,138
1,150	1,200	90	309	353	4,150	4,200	306	1,098	1,253	7,150	7,200	140	1,887	2,153
1,200	1,250	94	322	368	4,200	4,250	306	1,111	1,268	7,200	7,250	136	1,900	2,168
1,250	1,300	98	335	383	4,250	4,300	306	1,124	1,283	7,250	7,300	132	1,913	2,183
1,300	1,350	101	348	398	4,300	4,350	306	1,137	1,298	7,300	7,350	128	1,926	2,198
1,350	1,400	105	362	413	4,350	4,400	306	1,151	1,313	7,350	7,400	124	1,940	2,213
1,400	1,450	109	375	428	4,400	4,450	306	1,164	1,328	7,400	7,450	120	1,953	2,228
1,450	1,500	113	388	443	4,450	4,500	306	1,177	1,343	7,450	7,500	117	1,966	2,243
1,500	1,550	117	401	458	4,500	4,550	306	1,190	1,358	7,500	7,550	113	1,979	2,258
1,550	1,600	120	414	473	4,550	4,600	306	1,203	1,373	7,550	7,600	109	1,992	2,273
1,600	1,650	124	427	488	4,600	4,650	306	1,216	1,388	7,600	7,650	105	2,005	2,288
1,650	1,700	128	441	503	4,650	4,700	306	1,230	1,403	7,650	7,700	101	2,019	2,303
1,700	1,750	132	454	518	4,700	4,750	306	1,243	1,418	7,700	7,750	98	2,032	2,318
1,750	1,800	136	467	533	4,750	4,800	306	1,256	1,433	7,750	7,800	94	2,038	2,333
1,800	1,850	140	480	548	4,800	4,850	306	1,269	1,448	7,800	7,850	90	2,038	2,348
1,850	1,900	143	493	563	4,850	4,900	306	1,282	1,463	7,850	7,900	86	2,038	2,363
1,900	1,950	147	506	578	4,900	4,950	306	1,295	1,478	7,900	7,950	82	2,038	2,378
1,950	2,000	151	519	593	4,950	5,000	306	1,308	1,493	7,950	8,000	78	2,038	2,393
2,000	2,050	155	533	608	5,000	5,050	304	1,322	1,508	8,000	8,050	75	2,038	2,408
2,050	2,100	159	546	623	5,050	5,100	300	1,335	1,523	8,050	8,100	71	2,038	2,423
2,100	2,150	163	559	638	5,100	5,150	296	1,348	1,538	8,100	8,150	67	2,038	2,438
2,150	2,200	166	572	653	5,150	5,200	293	1,361	1,553	8,150	8,200	63	2,038	2,453
2,200	2,250	170	585	668	5,200	5,250	289	1,374	1,568	8,200	8,250	59	2,038	2,468
2,250	2,300	174	598	683	5,250	5,300	285	1,387	1,583	8,250	8,300	55	2,038	2,483
2,300	2,350	178	611	698	5,300	5,350	281	1,400	1,598	8,300	8,350	52	2,038	2,498
2,350	2,400	182	625	713	5,350	5,400	277	1,414	1,613	8,350	8,400	48	2,038	2,513
2,400	2,450	186	638	728	5,400	5,450	273	1,427	1,628	8,400	8,450	44	2,038	2,528
2,450	2,500	189	651	743	5,450	5,500	270	1,440	1,643	8,450	8,500	40	2,038	2,528
2,500	2,550	193	664	758	5,500	5,550	266	1,453	1,658	8,500	8,550	36	2,038	2,528
2,550	2,600	197	677	773	5,550	5,600	262	1,466	1,673	8,550	8,600	33	2,038	2,528
2,600	2,650	201	690	788	5,600	5,650	258	1,479	1,688	8,600	8,650	29	2,038	2,528
2,650	2,700	205	704	803	5,650	5,700	254	1,493	1,703	8,650	8,700	25	2,038	2,528
2,700	2,750	208	717	818	5,700	5,750	251	1,506	1,718	8,700	8,750	21	2,038	2,528
2,750	2,800	212	730	833	5,750	5,800	247	1,519	1,733	8,750	8,800	17	2,038	2,528
2,800	2,850	216	743	848	5,800	5,850	243	1,532	1,748	8,800	8,850	13	2,038	2,528
2,850	2,900	220	756	863	5,850	5,900	239	1,545	1,763	8,850	8,900	10	2,038	2,528
2,900	2,950	224	769	878	5,900	5,950	235	1,558	1,778	8,900	8,950	6	2,038	2,528
2,950	3,000	228	782	893	5,950	6,000	231	1,571	1,793	8,950	9,000	2	2,038	2,528

1994 Earned Income Credit (EIC) Table Continued

INCOME FROM EIC WORKSHEET—see "To find your credit" above		And you have—			INCOME FROM EIC WORKSHEET—see "To find your credit" above		And you have—			INCOME FROM EIC WORKSHEET—see "To find your credit" above		And you have—		
At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children
		Your credit is—					Your credit is—					Your credit is—		
13,950	14,000	0	1,563	2,002	17,150	17,200	0	1,051	1,436	20,350	20,400	0	540	870
14,000	14,050	0	1,555	1,993	17,200	17,250	0	1,043	1,427	20,400	20,450	0	532	861
14,050	14,100	0	1,547	1,984	17,250	17,300	0	1,036	1,418	20,450	20,500	0	524	852
14,100	14,150	0	1,539	1,975	17,300	17,350	0	1,028	1,409	20,500	20,550	0	516	843
14,150	14,200	0	1,531	1,966	17,350	17,400	0	1,020	1,400	20,550	20,600	0	508	835
14,200	14,250	0	1,523	1,957	17,400	17,450	0	1,012	1,392	20,600	20,650	0	500	826
14,250	14,300	0	1,515	1,948	17,450	17,500	0	1,004	1,383	20,650	20,700	0	492	817
14,300	14,350	0	1,507	1,940	17,500	17,550	0	996	1,374	20,700	20,750	0	484	808
14,350	14,400	0	1,499	1,931	17,550	17,600	0	988	1,365	20,750	20,800	0	476	799
14,400	14,450	0	1,491	1,922	17,600	17,650	0	980	1,356	20,800	20,850	0	468	790
14,450	14,500	0	1,483	1,913	17,650	17,700	0	972	1,347	20,850	20,900	0	460	782
14,500	14,550	0	1,475	1,904	17,700	17,750	0	964	1,339	20,900	20,950	0	452	773
14,550	14,600	0	1,467	1,895	17,750	17,800	0	956	1,330	20,950	21,000	0	444	764
14,600	14,650	0	1,459	1,887	17,800	17,850	0	948	1,321	21,000	21,050	0	436	755
14,650	14,700	0	1,451	1,878	17,850	17,900	0	940	1,312	21,050	21,100	0	428	746
14,700	14,750	0	1,443	1,869	17,900	17,950	0	932	1,303	21,100	21,150	0	420	737
14,750	14,800	0	1,435	1,860	17,950	18,000	0	924	1,294	21,150	21,200	0	412	729
14,800	14,850	0	1,427	1,851	18,000	18,050	0	916	1,285	21,200	21,250	0	404	720
14,850	14,900	0	1,419	1,842	18,050	18,100	0	908	1,277	21,250	21,300	0	396	711
14,900	14,950	0	1,411	1,834	18,100	18,150	0	900	1,268	21,300	21,350	0	388	702
14,950	15,000	0	1,403	1,825	18,150	18,200	0	892	1,259	21,350	21,400	0	380	693
15,000	15,050	0	1,395	1,816	18,200	18,250	0	884	1,250	21,400	21,450	0	372	684
15,050	15,100	0	1,387	1,807	18,250	18,300	0	876	1,241	21,450	21,500	0	364	676
15,100	15,150	0	1,379	1,798	18,300	18,350	0	868	1,232	21,500	21,550	0	356	667
15,150	15,200	0	1,371	1,789	18,350	18,400	0	860	1,224	21,550	21,600	0	348	658
15,200	15,250	0	1,363	1,781	18,400	18,450	0	852	1,215	21,600	21,650	0	340	649
15,250	15,300	0	1,355	1,772	18,450	18,500	0	844	1,206	21,650	21,700	0	332	640
15,300	15,350	0	1,347	1,763	18,500	18,550	0	836	1,197	21,700	21,750	0	324	631
15,350	15,400	0	1,339	1,754	18,550	18,600	0	828	1,188	21,750	21,800	0	316	622
15,400	15,450	0	1,331	1,745	18,600	18,650	0	820	1,179	21,800	21,850	0	308	614
15,450	15,500	0	1,323	1,736	18,650	18,700	0	812	1,171	21,850	21,900	0	300	605
15,500	15,550	0	1,315	1,727	18,700	18,750	0	804	1,162	21,900	21,950	0	292	596
15,550	15,600	0	1,307	1,719	18,750	18,800	0	796	1,153	21,950	22,000	0	284	587
15,600	15,650	0	1,299	1,710	18,800	18,850	0	788	1,144	22,000	22,050	0	276	578
15,650	15,700	0	1,291	1,701	18,850	18,900	0	780	1,135	22,050	22,100	0	268	569
15,700	15,750	0	1,283	1,692	18,900	18,950	0	772	1,126	22,100	22,150	0	260	561
15,750	15,800	0	1,275	1,683	18,950	19,000	0	764	1,118	22,150	22,200	0	252	552
15,800	15,850	0	1,267	1,674	19,000	19,050	0	756	1,109	22,200	22,250	0	244	543
15,850	15,900	0	1,259	1,666	19,050	19,100	0	748	1,100	22,250	22,300	0	237	534
15,900	15,950	0	1,251	1,657	19,100	19,150	0	740	1,091	22,300	22,350	0	229	525
15,950	16,000	0	1,243	1,648	19,150	19,200	0	732	1,082	22,350	22,400	0	221	516
16,000	16,050	0	1,235	1,639	19,200	19,250	0	724	1,073	22,400	22,450	0	213	508
16,050	16,100	0	1,227	1,630	19,250	19,300	0	716	1,064	22,450	22,500	0	205	499
16,100	16,150	0	1,219	1,621	19,300	19,350	0	708	1,056	22,500	22,550	0	197	490
16,150	16,200	0	1,211	1,613	19,350	19,400	0	700	1,047	22,550	22,600	0	189	481
16,200	16,250	0	1,203	1,604	19,400	19,450	0	692	1,038	22,600	22,650	0	181	472
16,250	16,300	0	1,195	1,595	19,450	19,500	0	684	1,029	22,650	22,700	0	173	463
16,300	16,350	0	1,187	1,586	19,500	19,550	0	676	1,020	22,700	22,750	0	165	455
16,350	16,400	0	1,179	1,577	19,550	19,600	0	668	1,011	22,750	22,800	0	157	446
16,400	16,450	0	1,171	1,568	19,600	19,650	0	660	1,003	22,800	22,850	0	149	437
16,450	16,500	0	1,163	1,560	19,650	19,700	0	652	994	22,850	22,900	0	141	428
16,500	16,550	0	1,155	1,551	19,700	19,750	0	644	985	22,900	22,950	0	133	419
16,550	16,600	0	1,147	1,542	19,750	19,800	0	636	976	22,950	23,000	0	125	410
16,600	16,650	0	1,139	1,533	19,800	19,850	0	628	967	23,000	23,050	0	117	401
16,650	16,700	0	1,131	1,524	19,850	19,900	0	620	958	23,050	23,100	0	109	393
16,700	16,750	0	1,123	1,515	19,900	19,950	0	612	950	23,100	23,150	0	101	384
16,750	16,800	0	1,115	1,506	19,950	20,000	0	604	941	23,150	23,200	0	93	375
16,800	16,850	0	1,107	1,498	20,000	20,050	0	596	932	23,200	23,250	0	85	366
16,850	16,900	0	1,099	1,489	20,050	20,100	0	588	923	23,250	23,300	0	77	357
16,900	16,950	0	1,091	1,480	20,100	20,150	0	580	914	23,300	23,350	0	69	348
16,950	17,000	0	1,083	1,471	20,150	20,200	0	572	905	23,350	23,400	0	61	340
17,000	17,050	0	1,075	1,462	20,200	20,250	0	564	897	23,400	23,450	0	53	331
17,050	17,100	0	1,067	1,453	20,250	20,300	0	556	888	23,450	23,500	0	45	322
17,100	17,150	0	1,059	1,445	20,300	20,350	0	548	879	23,500	23,550	0	37	313