

EITC Income Guidelines for Tax Year 2011

The American Recovery and Reinvestment Act (ARRA) changes the Federal Earned Income Tax Credit (EITC) threshold for some taxpayers. EITC is a refundable federal income tax credit for low to moderate income working individuals and families. This change affects eligibility thresholds for the AFI program, as EITC is one way to determine program eligibility. ARRA also provides a temporary increase in EITC for taxpayers with three or more qualifying children.

Income and family size determine the amount of Earned Income Tax Credit an individual or family member may receive. To qualify for the credit, a person's or family's investment income must be \$3,100 or less, and both earned income and adjusted gross income for 2011 must be more than \$1 but no more than the amounts listed in each category in the table below.

Families with the following # of qualifying children	Family Head Filing Individually	Married Filing Jointly
0	\$13,660	\$18,740
1	\$36,052	\$41,132
2	\$40,964	\$46,044
3 or more	\$43,998	\$49,078

If using EITC thresholds instead of TANF eligibility to determine eligibility for the IDA program, programs must consider net worth in addition to EITC income qualification

Please contact your RCO with any questions regarding eligibility and income calculations.

for updated guidelines go to <http://www.irs.gov/individuals/article/0,,id=150513,00.html>