

# Texas Workforce Press Release

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**FOR IMMEDIATE RELEASE**

**DATE:** March 26, 2009

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## Texans Get Help Filing for Earned Income Tax Credit

AUSTIN – Qualifying Texans can benefit from the Earned Income Tax Credit (EITC), which allows lower-income individuals and families to pay less or no federal income tax, or receive cash payments. The Texas Workforce Commission (TWC), through Workforce Solutions South Texas, offers tax preparation assistance to help qualified taxpayers benefit from EITC. The deadline to file income tax returns is April 15.

The Internal Revenue Service (IRS) estimates that in Tax Year 2007, more than 2.2 million Texans claimed more than \$5.1 billion in EITC funds statewide; the average refund was \$2,260. In recent years, Texas has ranked first in the nation in the number of EITC dollars that taxpayers claimed. However, the IRS estimates that up to 25 percent of Americans who qualify for the credit fail to claim it on their tax returns, despite the credit's availability.

Claimants receiving Unemployment Insurance in Calendar Year 2008 will receive an EITC insert, along with their 1099 tax form from TWC. Many workforce boards have placed links to the IRS EITC Web site on computers in workforce center resource rooms, along with links to the Texas Comptroller's Web site, <http://www.window.state.tx.us/taxinfo/eitc/>, which provides information on EITC and local Volunteer Income Tax Assistance sites across Texas.

Under certain limitations for 2008, individuals may qualify if their adjusted gross income is less than:

- \$38,646 (\$41,646 married filing jointly) with more than one qualifying child;
- \$33,995 (\$36,995 married filing jointly) with one qualifying child;
- \$12,880 (\$15,880 married filing jointly) with no qualifying children.

The maximum credit for 2008 is as follows:

- \$4,824 with two or more qualifying children;
- \$2,917 with one qualifying child;
- \$438 with no qualifying children.

Investment income must be less than \$2,950 for the year.

EITC has no effect on certain public assistance benefits. In most cases, the credit payments will not be used to determine eligibility for Medicaid, Supplemental Security Income, food stamps, low-income housing or most Temporary Assistance for Needy Families payments.

"The Earned Income Tax Credit program has worked well for our area," said Lupita Canales, board chair for Workforce Solutions South Texas. "It's especially helpful during this tough economic time and can make a difference in adding dollars to the local economy."

Congress originally approved the tax credit legislation in 1975 to provide an incentive to work and to offset Social Security taxes.

More information on EITC can be found by contacting local workforce board representatives at [www.texasworkforce.org](http://www.texasworkforce.org) or at [www.irs.gov](http://www.irs.gov).

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*The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the programs it offers in unison with its network of local workforce development boards, call (512) 463-8556 or visit [www.texasworkforce.org](http://www.texasworkforce.org).*