

January 12, 2009

Page 2

Single or married workers might qualify for the credit, depending on their income. Workers earning less than \$33,995 in 2008 with one child can get a credit up to \$2,917. Workers earning \$38,646 with more than one child can qualify for a credit up to \$4,824. Workers earning less than \$12,880 with no children can get a credit up to \$438.

If your members live in Delaware, the District of Columbia, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, Rhode Island, Vermont, Virginia or Wisconsin - let them know that they may also qualify for their state EIC.

Also, this year there is a second chance to claim the economic stimulus payment. Almost four million people who might have qualified did not file a 2007 tax return by the October 15, 2007 deadline and thus did not get the Recovery Rebate Credit. Individuals can claim the credit this year if they: qualified in 2008 but did not file a 2007 tax return by October 15th; received the payment based on their 2007 income but due to changed circumstances in 2008 would be entitled to a larger amount; did not qualify for the credit in 2007 but now meet the requirements; or filed for the rebate but did not receive it or an explanation of why they did not qualify.

Finally, some homeowners may be able to exclude forgiven mortgage debt from their income for tax filing purposes if the debt was used to purchase, build or improve the taxpayer's principal residence or to refinance this debt. This change may help homeowners who might be eligible for the EIC but would be over the income limit if the cancelled debt was counted as income.

If you would like to receive the EIC outreach package, please call Gene Moore in the Department of Research and Collective Bargaining Services at (202) 429-5025 or email him at gmoore@afscme.org.

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cc: Department Directors
Executive Staff