

Valuable tax credit and tax preparation assistance available for low-income workers

People who work but don't earn a lot of money may be eligible for the Earned Income Tax Credit (EITC), as well as free help preparing their tax return.

Community Action of Nebraska and the State EITC Coalition have teamed up to help spread the word to qualifying tax that this extra assistance is available during the 2008 tax season. Last year, volunteer tax preparers helped filers gain more than \$4.9 million in Earned Income Tax Credit, and more than \$3.5 million in Child Tax Credits.

The new maximum credit is \$4,716 for a family with two or more children; \$2,853 for a family with one child and \$428 if there are no children. The Earned Income Tax Credit is the federal government's largest program benefiting working families.

The new income limits are \$37,783 (\$39,783 if married filing jointly) for families with two or more children; \$33,241 (\$35,241 if married filing jointly) for families with one child or \$12,120 (\$14,120 if married filing jointly) if there are no children. Investment income must be \$2,900 or less. Children must meet certain age, relationship and residency requirements.

The EITC is a valuable but complex tax break for lower income workers. Free help is available. Workers who qualify for EITC also may qualify for free tax preparation assistance.

Find out where you can get free tax preparation assistance for the 2008 tax season by calling 2-1-1 or (877) 557-2200, or visit the Community Action of Nebraska website at www.canhelp.org.

Interested individuals should come prepared with the following items:

- Proof of identification
- Social Security Cards (or Individual Taxpayer Identification Number, ITIN) for you, your spouse and dependents and/or a Social Security Number verification letter issued by the Social Security Administration
- Birth dates for you, your spouse and dependents on the tax return
- Current year's tax package if you received one
- Wage and earning statement(s) Form W-2, W-2G, 1099-R, from all employers
- Interest and dividend statements from banks (Forms 1099)
- A copy of last year's Federal and State returns if available
- Bank Routing Numbers and Account Numbers for Direct Deposit
- Total paid for day care provider and the day care provider's tax identifying number (the provider's Social Security Number or the provider's business Employer Identification Number)
- Information for other income
- Information for deductions/credits

- To file taxes electronically on a married filing joint tax return, both spouses must be present to sign the required forms.