



January 31, 2018

RE: Federal Earned Income Tax Credit

Dear Employee,

We are writing to let you know of an important tax benefit that may be available to you as a New Jersey resident. You may already be familiar with – and eligible for – the federal Earned Income Tax Credit (EITC), which is available to certain working individuals and families.

The State of New Jersey also provides a separate EITC, to New Jersey residents who fulfill certain conditions. Details of who is eligible and what is required by the State of New Jersey are provided in the enclosed flyer.

If you have any questions about either the Federal or State EITC, please call your tax advisor or the New Jersey Division of Taxation at (609) 292-6400.

Sincerely,

ADP TotalSource
Tax Compliance



Many New Jersey Taxpayers Are Eligible For 2017 Earned Income Tax Credits

Both a federal and a New Jersey credit (NJEITC) are available.

Like the federal credit, the NJEITC can reduce the amount of tax you owe or increase the size of your refund check.

Most workers who are eligible for the federal credit also qualify for the NJEITC. **To receive the NJEITC, you must apply and qualify for the federal credit and then file a New Jersey Resident Income Tax return, even if your income is below New Jersey's minimum filing threshold.** You cannot qualify for the NJEITC if you and your spouse or civil union partner file separate Income Tax returns.

See information below on how to contact the Internal Revenue Service about applying for the federal credit.

The amount of your NJEITC is a percentage of your federal Earned Income Tax Credit. This year, the NJEITC amount is equal to 35 percent of the federal credit. So if your federal Earned Income Tax Credit is \$4,000, your NJEITC will be \$1,400.

If you lived in New Jersey for only part of 2017, your NJEITC will be based on the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month.

For more information about the NJEITC:

- Visit the Division of Taxation's website: www.njtaxation.org;
- Listen to recorded information or order forms by calling the Division's Automated Tax Information System from a Touch-tone phone: 1-800-323-4400 (within NJ, NY, PA, DE, MD) or (609) 826-4400;
- Call the New Jersey Division of Taxation at (609) 292-6400. We are available Monday, 8:30 a.m. to 5:30 p.m. and Tuesday through Friday, 8:30 a.m. to 4:30 p.m., except State holidays.

2017 Federal Earned Income Tax Credit

For more information about the federal Earned Income Tax Credit, visit: www.irs.gov/credits-deductions or call the IRS at 1-800-829-1040.