



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. 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.

IF YOU EARNED LESS THAN \$39,296 LAST YEAR AND HAVE AT LEAST ONE CHILD, YOU MAY BE ELIGIBLE TO RECEIVE A TAX CREDIT FROM THE FEDERAL GOVERNMENT. THE TAX CREDIT MAY BE A REFUND FROM THE FEDERAL GOVERNMENT FOR AS MUCH AS \$3,373. EVEN IF YOU DO NOT OWE FEDERAL TAXES, YOU MUST FILE A TAX RETURN TO RECEIVE THE EARNED INCOME TAX CREDIT. BE SURE TO FILL OUT THE EARNED INCOME TAX CREDIT FORM IN THE TAX RETURN BOOKLET.

Based on your annual earnings, you may be eligible to receive the earned income tax credit from the federal government. The earned income tax credit is a refundable federal income tax credit for low-income working individuals and families. The earned income tax credit has no effect on certain welfare benefits. In most cases, earned income tax 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 family payments. Even if you do not owe federal taxes, you must file a tax return to receive the earned income tax credit. Be sure to fill out the earned income tax form in the federal income tax return booklet.

Earned Income Tax Credit eligibility is based on your earned income and adjusted gross income. The threshold amounts for 2017 tax returns follow:

- \$15,010 (\$20,600 if married filing jointly) if you do not have a qualifying child
- \$39,617 (\$45,207 if married filing jointly) if you have one qualifying child
- \$45,007 (\$50,597 if married filing jointly) if you have two qualifying children
- \$48,340 (\$53,930 if married filing jointly) if you have three or more qualifying children

For information regarding your eligibility to receive the earned income tax credit, including information on how to obtain the IRS Notice 797 or any other necessary forms and instructions, contact the Internal Revenue Service by calling 1-800-829-3676 or through its web site at www.irs.gov/eitc.

Sincerely,

ADP TotalSource
Tax Compliance