



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN
Governor

WILLIAM WALDMAN
Commissioner

MEDICAID COMMUNICATION NO. 98-6 DATE: February 25, 1998

TO: County Welfare Agency Directors
New Jersey Care...Special Medicaid
Programs Supervisors

SUBJECT: The 1998 Earned Income Credit Campaign

As you may be aware, the Division is currently involved in the 1998 Earned Income Credit (EIC) Campaign. As in past years, the Department of Human Services is coordinating its activities with the Association for Children of New Jersey, Public Service Electric & Gas Company, and the Internal Revenue Service (IRS). We appreciate your previous contributions to the effort and are again seeking your cooperation with this year's Campaign.

The Division of Family Development will be providing EIC materials to your agency for use in your waiting areas and offices. In addition, attached is a limited supply of the EIC bilingual flyer explaining the benefit which we are requesting be made available to individuals utilizing your hospital outstationing sites. The flyer provides basic information about the benefit and the IRS toll-free number to contact for further information. Once your initial supply is exhausted, we ask that you duplicate them as needed for further distribution.

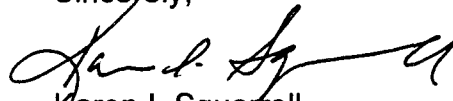
The Earned Income Credit is a special tax benefit for certain low-income persons who work full or part-time, reduces their federal tax liability and may or may not result in a payment to the taxpayer. Payments can be received as an advance from an employer or as a refund from the IRS. For purposes of Medicaid eligibility, EIC payments are considered to be exempt from income.

The EIC can provide up to \$2,210 in cash or a tax credit to married or single workers who have earned up to \$25,760 during 1997, and who have had one child reside with them for at least 6 months of the year. Families with two or more children who earned less than \$29,290 in 1997 may qualify for a credit of up to \$3,656. Foster parents may qualify if a child lived in the home for a full calendar year. In addition, a credit of up to \$332 is available to low-income workers between the ages of 25 and 64, without children, who earned less than \$9,770 in 1997.

In order to obtain the Earned Income Credit, an IRS tax form 1040 or 1040A must be filed along with a Schedule EIC. Individuals who are not raising children need only to file a tax return. In addition, Volunteer Income Tax Assistance (VITA) centers will be operating throughout the state to provide free assistance in completing the necessary tax forms. More information about the VITA sites is available by contacting the IRS toll-free number at 1-800-829-1040.

If you have any questions about this communication or the EIC benefit program, please contact Sandra Stangil, Office of Beneficiary and Provider Services, at (609) 588-2936.

Sincerely,



Karen I. Squarrell
Acting Director

KIS:S

Attachments

c: Len Fishman, Commissioner
Susan C. Reinhard, Ph.D., Deputy Commissioner
Department of Health and Senior Services

Karen Highsmith, Director
Division of Family Development

Michele Guhl, Deputy Commissioner
Division of Youth and Family Services

WORKERS Put Some Extra MONEY in Your Pocket!!



For information about how you can get the Earned Income Credit and free help filing your taxes, call the IRS at 1-800-829-1040.

Avoid refund delays! Be sure to provide the correct name and Social Security number for each person listed on your tax return.

Keep all of your income tax refund this year!

Be Smart, Save Money! Workers with modest incomes can get free help preparing their tax returns. To find the free tax preparation site near you, call **1-800-829-1040**.

Remember! Getting a quick turnaround on a tax refund is the most expensive way to have your taxes filed. Paying for a quick refund takes money away from your Earned Income Credit or any other tax refund you get.

Claim Your Earned Income Credit

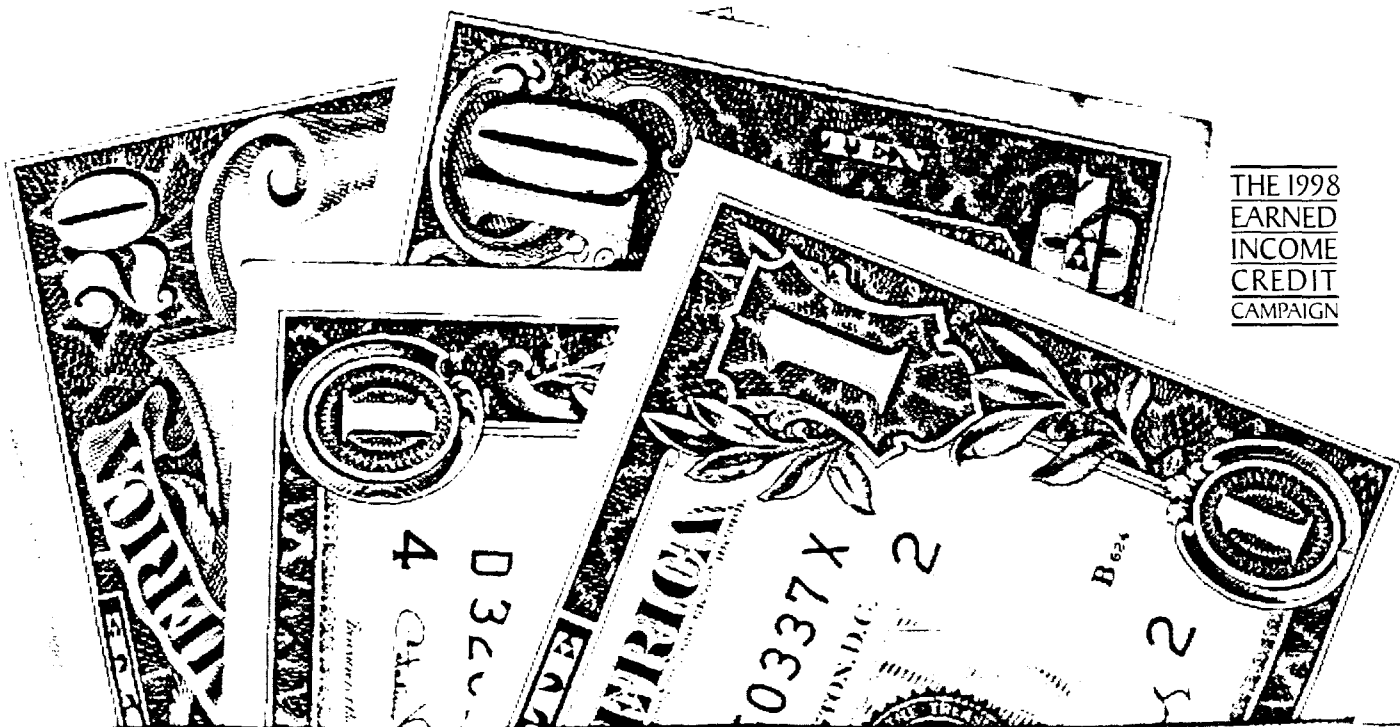
A Tax Benefit for People Who Work!

The Earned Income Credit is a special tax benefit for people who work full- or part-time. If you qualify, you'll owe less in taxes, and you may get cash back. Even if you don't owe income tax you can get the credit. But, you must file a federal tax return.

Who can get the Earned Income Credit?

- Single or married workers who were raising children in their homes, and who earned less than \$29,290 in 1997 (or less than \$25,760 if they were raising only one child). File form 1040 or 1040A, attach Schedule EIC.
- Single or married workers at least age 25 and under age 65, who were not raising children in their homes, and who earned less than \$9,770 in 1997. File any tax form.

THE 1998
EARNED
INCOME
CREDIT
CAMPAIGN



!!Trabajadores!! Pongan DINERO EXTRA en sus bolsillos



Para recibir información sobre cómo recibir el Crédito de Ingreso de Trabajo y asistencia gratuita para declarar sus impuestos, llame al IRS al 1-800-829-1040.

¡Evite la demora de su devolución! Esté seguro de darnos correctamente, el nombre y número Seguro Social de cada persona que se encuentra registrado en su formulario de impuestos.

¡Quédese con toda la devolución de impuestos este año!
¡Sea Inteligente, Ahorre Dinero! Los trabajadores que ganen salarios modestos pueden recibir ayuda gratuita para llenar los formularios de declaración de impuestos. Para enterarse de la localización de la oficina más cercana a usted, llame al 1-800-829-1040.

¡Recuerde! Conseguir una devolución rápida del dinero de impuestos es la manera más cara de presentar la declaración de impuestos. Recibir la devolución rápidamente le resta dinero de su Crédito EIC o de cualquier otra devolución de impuestos a la que tenga derecho.

Reclame Su Crédito por Ingreso de Trabajo (o Crédito EIC) ¡Un Beneficio Fiscal para Gente Que Trabaja!

El crédito por Ingreso de Trabajo es un beneficio fiscal especial para gente que trabaja a tiempo completo o a tiempo parcial. Si usted califica, reducirán sus impuestos, y podría recibir dinero de vuelta. Incluso si usted no debe impuestos, puede obtener el Crédito EIC. Pero tiene que presentar una declaración de impuestos.

¿Quién puede recibir el Crédito por Ingreso de Trabajo?

- Los trabajadores solteros o casados que criaron a niños en su hogar, y que ganaron menos de \$29,290 en 1997 (o menos de \$25,760 si criaron a sólo un niño). Presente el Formulario 1040 o el 1040A e incluya el formulario llamado "Schedule EIC".
- Trabajadores solteros o casados que tenían entre 25 y 64 años de edad, que no criaron a niños en su hogar y que ganaron menos de \$9,770 en 1997. Presente cualquier formulario de impuestos.

LA CAMPAÑA
DE CREDITO
POR INGRESO
DE TRABAJO
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