



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Governor

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Commissioner

KATHRYN A. PLANT
Director

MEDICAID COMMUNICATION NO. 03 - 08 DATE: February 28, 2003

TO: County Welfare Agency Directors

SUBJECT: Tax Year 2002 Earned Income Tax Credit Campaign

As you may be aware, the Tax Year 2002 Earned Income Tax Credit (EITC) Campaign is in progress. As in past years, our Division and your agencies have participated in the outreach efforts to inform beneficiaries about the availability of the earned income tax credits. We appreciate your efforts and again seek your assistance with this year's Campaign.

Attached is a limited supply of the EITC bilingual flyer that we are requesting be made available to individuals utilizing your hospital outstationing sites. We also ask that you include a flyer when mailing out applications for the NJ FamilyCare program. The flyer provides basic information about the benefit and provides the telephone numbers and website addresses to contact for further information. Once your initial supply is exhausted, please feel free to duplicate them as needed for further distribution.

The EITC is a special tax benefit for certain low-income individuals who work full or part-time, reducing tax liability that may or may not result in a payment to the taxpayer. In addition to the Federal EITC, a New Jersey EITC is available to certain low-income working parents. For purposes of Medicaid and NJ FamilyCare eligibility, EITC payments are considered to be exempt from countable income.

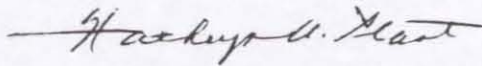
The Federal EITC can provide up to \$2,506 in cash or a tax credit to working parents who have earned up to \$29,201 (\$30,201, if married, filing jointly) during 2002, and who have had one child reside with them for at least 6 months of the year. Families with two or more children who earned less than \$33,178 (\$34,178, if married, filing jointly) in 2002 may qualify for a credit of up to \$4,140. Certain foster parents may qualify if a child lived in the home for more than half the calendar year. In addition, a credit of up to \$376 is available to low-income workers between the ages of 25 and 65, without children, who earned less than \$11,060 (\$12,060, if married, filing jointly) in 2002.

In order to obtain the Federal EITC, 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.

The New Jersey EITC provides up to \$439 for one child or \$725 for two or more children to working parents with incomes below \$20,000 and who file for the federal income tax credit. Eligible individuals must file a New Jersey resident income tax return and complete the NJ EITC schedule. More information about the New Jersey EITC is available by contacting the Division of Taxation toll free at 1-888-895-9179.

If you have any questions about this communication or the EITC benefit program, please contact DMAHS field staff assigned to your county, at (609) 588-2556.

Sincerely,



Kathryn A. Plant
Director

KAP:S

Attachments

c: Clifton R. Lacy, M.D., Commissioner
Department of Health and Senior Services

Pearl Elias, Acting Director
Division of Family Development

Doris Jones, Acting Director
Division of Youth and Family Services



BOOST YOUR PAYCHECK!



Claim Your Federal and State Earned Income Tax Credit

The Federal Earned Income Tax Credit (EITC) can help you if you worked full or part-time in 2002 and:

- ★ You were raising one child in your home and your family earned less than \$29,201, you can receive up to \$2,506; or
 - New this year: If you are married, filing jointly, your income must be less than \$30,201.
- ★ You were raising two or more children in your home and your family earned less than \$33,178, you can receive up to \$4,140; or
 - New this year: If you are married, filing jointly, your income must be less than \$34,178.
- ★ You are between the ages of 25-65, not raising children, and earned less than \$11,060, you can receive up to \$376.
 - New this year: If you are married, filing jointly, your income must be less than \$12,060.

For more information on EITC or VITA call 1-800-829-1040 or visit www.irs.gov

The New Jersey Earned Income Tax Credit (NJ EITC) can help you if you worked full or part-time in 2002 and:

- ★ You were raising one child in your home and your family earned less than \$20,000, you can receive up to \$439; or
- ★ You were raising two or more children in your home and your family earned less than \$20,000, you can get up to \$725.

*For more information call 1-888-895-9179
or visit www.state.nj.us/treasury/taxation/*



¡Incremento su Sueldo!



Exija Su Crédito Por Ingreso Tributario Federal y Estatal

El Crédito Por Ingreso Tributario Federal (EITC) le puede ayudar si usted trabajo tiempo completo ó parcial en el año 2002 y además si:

★ **Criaron a solo un niño en su hogar y sus ingresos fueron menos de \$29,201, pueden recibir hasta \$2,506; ó**

➤ **Algo nuevo este año: Si usted esta casado, sometiendo su planilla juntos, sus ingresos tienen que ser menos de \$30,201.**

★ **Si criaron a dos ó más niños en su hogar y sus ingresos fueron menos de \$34,178, pueden recibir hasta \$4,140; ó**

➤ **Algo nuevo este año: Si usted esta casado, sometiendo su planilla juntos, sus ingresos tienen que ser menos de \$34,178.**

★ **Si su edad está entre los 25 a 65 años y usted no tienen niños en su hogar y sus ingresos fueron menos de \$11,060, usted puede recibir hasta \$376.**

➤ **Algo nuevo este año: Si usted esta casado, sometiendo su planilla juntos, sus ingresos tienen que ser menos de \$12,060.**

**Para más información sobre EITC ó VITA llame 1-800-829-1040
ó visite el web site www.irs.gov**

El Crédito Por Ingreso Tributario de Nueva Jersey (NJ EITC) le puede ayudar si usted trabajo tiempo completo ó parcial en el año 2002 y además si:

★ **Criaron a solo un niño en su hogar y sus ingresos fueron menos de \$20,000, usted puede recibir hasta \$439; ó**

★ **Si criaron a dos ó más niños en su hogar y sus ingresos fueron menos de \$20,000, usted puede recibir hasta \$725.**

**Para más información llame 1-888-895-9179
ó visite el web site www.state.nj.us/treasury/taxation/**