

Ten Ways Job Training Programs Can Promote The Earned Income Credit and the Child Tax Credit



Participants in job training and preparation programs, such as public assistance recipients, workers with disabilities and displaced workers, may not know about the Earned Income Credit (EIC) or the Child Tax Credit (CTC), or realize they might be eligible when they become employed. The EIC can be a major wage supplement for these workers — up to \$4,400 for some families — and can promote successful transition to work. The CTC can boost wages even higher for such families. Also, some workers not eligible for the EIC can qualify for the CTC. Family members of job program participants may be eligible for the credits, as well.

1. Include information about the EIC and CTC as a standard part of your program's curriculum. Show participants how the credits add to their income and explain that they won't count as income in determining their eligibility for food stamps, Medicaid or housing subsidies.
2. Display the EIC/CTC poster in your job training classrooms. Keep EIC/CTC fact sheets and the appropriate tax forms (Schedule EIC, and Form 8812) on hand for interested participants and your staff.
3. Show participants how Advance EIC Payments can boost their take-home pay and help them retain a job by providing extra income to handle new expenses such as transportation to work or child care costs. When participants start new jobs, provide them the W-5 form they need to give their employer.
4. Pave the way with employers — many are unfamiliar with Advance EIC Payments. Provide them copies of the W-5 form and urge them to inform their employees.
5. Publish an article about the EIC and the CTC in your newsletter.
6. Help participants obtain Social Security numbers (SSNs) for their children. The SSN is required to claim a child for the EIC. Help immigrant workers obtain an individual Taxpayer Identification (ITIN) number, if they can't get an SSN. They will need an ITIN to file a tax return and to get the CTC if they qualify.
7. Help provide free help with tax forms in your community. Work with the IRS= Taxpayer Education Coordinator to provide space for a Volunteer Income Tax Assistance (VITA) site. Encourage staff members to become VITA volunteers.
8. At tax time, save your participants an extra trip by providing the tax forms workers will need to claim the EIC and the CTC, including the Schedule EIC and Form 8812. Get free copies from the IRS by calling 1-800-TAX-FORM. It's OK to make photocopies.
9. Encourage the agencies that refer participants to you to also promote the EIC and the CTC.
10. Join forces with other community-based groups engaged in EIC/CTC Outreach Campaigns.

For more information on how you can promote the EIC and the CTC, contact the Center on Budget and Policy Priorities, 202-408-1080.

THE CENTER ON BUDGET AND POLICY PRIORITIES

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