

Comparing the Eligibility Requirements for the EIC and the CTC

EIC	CTC
Qualifying Child	
<ul style="list-style-type: none"> • Son, daughter, grandchild, stepchild or an adopted child. • Brother, sister, stepbrother or stepsister (and their descendants). • Foster child <i>placed with worker by a government or private agency.</i> 	
Residency of Child	
<ul style="list-style-type: none"> • Must live with worker in the U.S. for more than half the year. 	<ul style="list-style-type: none"> • Must live with worker in the U.S. for more than half the year. Exception: A non-custodial parent who is permitted by a divorce or separation agreement to claim the child as a dependent.
Age of Child	
<ul style="list-style-type: none"> • Under age 19, or under 24 if a full-time student, or any age if totally and permanently disabled. 	<ul style="list-style-type: none"> • Under age 17.
Income	
<ul style="list-style-type: none"> • 1 child—under \$35,463. • 2 or more children—under \$40,295. • 3 or more children — under \$43,279. • No children—under \$13,440. • Income limits for married workers are \$5,000 higher. • Investment income cannot exceed \$3,100. 	<ul style="list-style-type: none"> • Must earn <i>more than</i> \$3,000. • No limit on investment income.
Credit Amount	
<ul style="list-style-type: none"> • 1 child—<i>up to</i> \$3,043. • 2 children—<i>up to</i> \$5,028. • 3 or more children — <i>up to</i> \$5,657 • No children—<i>up to</i> \$457. 	<ul style="list-style-type: none"> • <i>Up to</i> \$1,000 per child.
Dependency	
<ul style="list-style-type: none"> • Not required (except for a claim by a married parent who separated from his or her spouse during the first half of the year). 	<ul style="list-style-type: none"> • Must be able to claim child as a dependent and claim the exemption on the return.
Immigration	
<ul style="list-style-type: none"> • Worker, spouse and qualifying child must each have a valid SSN that permits them to work legally in the U.S. 	<ul style="list-style-type: none"> • Child must be a U.S. citizen or a resident alien; SSN or ITIN for parents and children is required.
Sources of Earned Income	
<ul style="list-style-type: none"> • Wages, salary, tips. • Earnings from self-employment. • Union strike benefits. 	<ul style="list-style-type: none"> • Employer-paid disability. • Military combat pay (tax filer can choose to count for EIC, must count for CTC).
Special Forms	
<ul style="list-style-type: none"> • Schedule EIC required for workers claiming children 	<ul style="list-style-type: none"> • Form 8812 “Additional Child Tax Credit”
Impact on Public Benefits	
<ul style="list-style-type: none"> • Not considered income for food stamps, SSI, Medicaid, federal housing, foster care or adoption assistance. • Does not count toward resource limits in the month of receipt or the following month. Exceptions: SSI—counts after 9 months; food stamps—counts after 12 months. • Rules regarding other benefit programs are state-determined. 	<ul style="list-style-type: none"> • Not considered income for any federal, state, or local program financed even in part by federal funds. • Generally does not count toward resource limits in the month of receipt or in the following month. Exception: SSI—counts after 9 months.