



March 4, 2009

TEMPORARY INCREASE IN EARNED INCOME TAX CREDIT

According to the American Recovery and Reinvestment Act of 2009, there is a temporary increase in the Earned Income Tax Credit (EITC).

- For taxable years beginning in 2009 and or 2010, eligible taxpayers with 3 or more qualifying children, the credit percentage has been increased to 45% to the family's first \$12,750 of earned income.
- The marriage penalty has been changed and the dollar amount in effect shall be \$5,000, to be adjusted for inflation in 2010 (built into tables)

Payroll and Reporting Impact:

- The Federal AEIC Tables, which have been released in Notice 1036, are now also included in Publication 15-T.
- The Tables are effective as soon as possible but no later than 4/01/2009.

[American Recovery and Reinvestment Act of 2009](#)

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