

Worksheet A – Indiana’s Earned Income Credit (EIC)

Keep for your records

Before you begin: Be sure you are using the correct worksheet. Use Worksheet A if you answered “No” to Step 6, question 3. Use Worksheet B if you answered “Yes” to Step 6, question 3.

Part 1: All filers using Worksheet A

- 1. Enter your earned income from Step 6, Box B 1 _____
2. Look up the amount on line 1 above in the Indiana Earned Income Credit Table to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here..... 2 _____

If line 2 is zero, STOP. You cannot claim the credit.

- 3. Enter your modified adjusted gross income from Step 5, Box A 3 _____
4. Are the amounts on lines 3 and 1 the same?
Yes. Skip line 5; enter the amount from line 2 on line 6.
No. Go to line 5.

Part 2: Filers who answered “No” on line 4

- 5. If you have:
• No qualifying children, is the amount on line 3 less than \$8,950?
• 1 qualifying child, is the amount on line 3 less than \$19,550?
• 2 or more qualifying children, is the amount on line 3 less than \$19,550?

Yes. Leave line 5 blank; enter the amount from line 2 on line 6.

No. Look up the amount on line 3 in the Indiana Earned Income Credit Table to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here 5 _____

Look at the amounts on line 5 and 2. Then, enter the smaller amount on line 6.

Part 3: Your Indiana earned income credit

- 6. This is the amount from Part 1 or Part 2 above..... 6 _____
7. If you have an alternative minimum tax on our federal tax return, Form 1040/1040-SR, then multiply that amount by 9 percent (.09) and enter the result here..... 7 _____
8. Subtract line 7 from line 6 (if zero or less, STOP. You cannot take a credit). Enter this amount here..... 8 _____
9. Enter the earned income credit claimed on your federal tax return Form 1040/1040-SR 9 _____
10. Multiply line 9 by .09 (9%). Enter result here 10 _____
11. Look at the amount on line 8 and on line 10. Then, enter the smaller amount here and on Schedule IN-EIC, line A-3..... Indiana Earned Income Credit 11 _____

Final Step – You must complete Schedule IN-EIC and enclose it with your filing.

Worksheet B – Indiana’s Earned Income Credit (EIC)

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Use this worksheet if you answered “Yes” to Step 6, question 3.

- Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.
• If you are married filing a joint return, include your spouse’s amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

Part 1: Self-employed, members of the clergy, and people with church employee income filing federal Schedule SE.

- 1a. Enter the amount from federal Schedule SE, Section A, line 3, or Section B, line 3, whichever applies..... 1a _____
b. Enter any amount from federal Schedule SE, Section B, line 4b, and line 5a..... + 1b _____
c. Add lines 1a and 1b = 1c _____
d. Enter the amount from federal Schedule SE, Section A, line 6, or Section B, line 13, whichever applies..... - 1d _____
e. Subtract line 1d from 1c..... = 1e _____

Part 2: Self-employed NOT required to file federal Schedule SE

For example, your net earnings from self-employment were less than \$400.

- 2. Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, any amount exempt from self-employment tax as the result of filing and approval of federal Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.
a. Enter any net farm income or (loss) from federal Schedule F, line 34, and from farm partnerships, Schedule K-1 (federal Form 1065), box 14, code A 2a _____
b. Enter any net profit or (loss) from federal Schedule C, line 31; Schedule K-1 (federal Form 1065), box 9, code J1 + 2b _____
c. Add lines 2a and 2b = 2c _____

Part 3: Statutory employees filing federal Schedule C

- 3. Enter the amount from federal Schedule C, line 1c, that you are filing as a statutory employee 3 _____

Part 4: All filers using Worksheet B

- 4a. Enter your earned income from Step 6, Box B..... 4a _____
b. Add lines 1e, 2c, 3 and 4a. This is your total earned income..... 4b _____

If line 4b is zero or less, STOP. You cannot take the credit.

- 5. If you have:
• 2 or more qualifying children, is line 4b less than \$47,900?
• 1 qualifying child, is line 4b less than \$42,100?
• No qualifying children, is line 4b less than \$15,900?

Yes. Enter the amount from line 4b on line 6 of this worksheet.

No. STOP. You cannot take the credit.

Part 5: All filers using Worksheet B

- 6. Enter your total earned income from Part 4, line 4b 6 _____
- 7. Look up the amount on line 6 above in the *Indiana Earned Income Credit Table* to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here..... 7 _____

If line 7 is zero, **STOP**. You cannot take the credit.

- 8. Enter your modified adjusted gross income from Step 5, Box A. (If you filled out Worksheet 3, enter the amount from line 17.)..... 8 _____
- 9. Are the amounts on lines 8 and 6 the same?

Yes. Skip line 10; enter the amount from line 7 on line 11.

No. Go to line 10.

Part 6: Filers who answered “No” on line 9

- 10. If you have:
 - No qualifying children, is the amount on line 8 less than \$8,950?
 - 1 qualifying child, is the amount on line 8 less than \$19,550?
 - 2 or more qualifying children, is the amount on line 8 less than \$19,550?

Yes. Leave line 10 blank; enter the amount from line 7 on line 11.

No. Look up the amount on line 8 in the *Indiana Earned Income Credit Table* to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here..... 10 _____

Look at the amounts on lines 10 and 7. Then, enter the smaller amount on line 11.

Part 7: Your Indiana earned income credit.

- 11. This is the amount from Part 5 or Part 6 above..... 11 _____
- 12. If you have an alternative minimum tax on your federal tax return, Form 1040/1040-SR, then multiply that amount by 9 percent (.09) and enter the result here..... 12 _____
- 13. Subtract line 12 from line 11 (if zero or less, **STOP**. You cannot take a credit). Enter this amount here..... 13 _____
- 14. Enter the earned income credit claimed on your federal tax return, Form 1040/1040-SR 14 _____
- 15. Multiply line 14 by .09 (9%). Enter result here 15 _____
- 16. Look at the amount on line 13 and on line 15. Then, enter the smaller amount here and on Schedule IN-EIC, line A-3..... **Indiana Earned Income Credit** 16 _____

Final Step – You must complete Schedule IN-EIC and enclose it with your tax return when you file.