



# Instructions for Form IT-215 Claim for Earned Income Tax Credit

## General Information Who Qualifies

To qualify for the New York State earned income credit you must:

- have claimed the federal earned income credit for tax year 1997; **and**
- file (or have filed) a New York State return for 1997.

If you are a resident or part-year resident, you may qualify for a refund of any earned income credit in excess of your New York State tax liability. Nonresidents **do not** qualify for a refund of the New York State earned income credit.

## How to Claim the Credit

In order to claim the New York State earned income credit you must:

- complete Form IT-215 using the information from your federal return, worksheets, and, if applicable, federal Schedule EIC; **or**
- if you file the IT-100 return, complete the *Claim for Earned Income Credit for IT-100 Filers* on the back of the return.

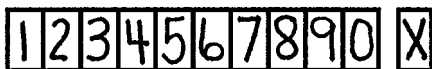
## Changes for 1997

- These instructions have been redesigned. The line instructions for all filers begin in the next column.
- Information on questions regarding investment income (line 2) and federal modified adjusted gross income (Worksheet A, line 1) have been added.

## Filling in Your Claim Form

Form IT-215 for 1997 has been designed to let us use the latest scanning and image-processing equipment. Rectangular boxes and white entry areas have been printed on the form to guide you in making your handwritten entries. This will enable our scanning equipment to read your return more accurately and let us process it more efficiently. Please spend a moment reviewing the method below for making your entries:

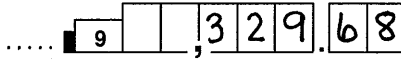
- Please print (using a blue or black ballpoint pen; no pencils, please) or type all "X" marks and money amounts in the boxes or spaces provided.
- Do not use dollar signs, commas, decimal points, dashes or any other punctuation marks or symbols.
- Write your numerals like this:



Carefully enter your money amounts so that the whole **dollar amount** ends in the box immediately to the **left** of the cents decimal and the **cents amount** starts in the box immediately to the **right** of the cents decimal.

- Make your money amount entries in the boxes allowing one numeral for each area.

**Example:** If your entry for line 9 is \$329.68, your money field entry should look like:



— Leave blank any spaces and boxes that do not apply to you.

## Line Instructions for All Filers

**All resident, nonresident, and part-year resident filers** complete lines 1 through 17 as applicable. (**Form IT-100 filers** - Do not file Form IT-215 unless you have already filed your Form IT-100 for 1997.)

**All part-year resident filers** must also complete lines 18 through 26.

**Line 1** — You must have claimed the federal earned income credit for 1997 in order to claim the New York State earned income credit.

**Line 2** — You cannot claim the New York State earned income credit if your investment income is more than \$2,250. For most people, investment income is the total amount of:

- taxable interest (from line 8a of federal Form 1040 or 1040A);
- tax-exempt interest (from line 8b of federal Form 1040 or 1040A);
- dividend income (from line 9 of federal Form 1040 or 1040A); and
- capital gain net income from line 13 of Form 1040 (if more than zero).

For additional information on what qualifies as investment income, see **federal** Pub-596, *Earned Income Credit*.

**Line 3** — File Form IT-215 with your original 1997 New York State income tax return. If you have already filed your original return, you may file Form IT-215 by itself. If you haven't previously filed your income tax return for this year, you **must** file one with this claim.

**Line 4** — If you filed federal schedule EIC, be sure to list the name, relationship, number of months the child lived with you, social security number and year of birth for the **same** children you claimed on the federal schedule.

**Caution:** To be eligible to claim the New York State earned income credit, you must provide a correct and valid social security number (SSN) for each person listed on your tax return.

If you have applied for a social security number by filing federal Form SS-5 with the Social Security Administration, but you have not received it by the April 15, 1998, filing deadline, you can either:

- 1) File Form IT-370 requesting an automatic extension of time to file until August 15, 1998. (This extension does not give you any extra time to pay any tax owed. You should pay any New York taxes you expect to owe to avoid interest or penalty charges. For more information, see Form IT-370, *Application for Automatic Extension of Time to File for Individuals.*) **or**
- 2) File your return on time without claiming the earned income credit and do not attach Form IT-215. After receiving the SSN, file Form IT-215 and claim the credit.

Be sure to place an **X** in the box under the heading *Person with disability* if your child was born before 1979 and was permanently disabled during any part of 1997. Place an **X** in this box **only** if you put a checkmark in the **Yes** box on your 1997 federal schedule EIC, line 3b.

**Line 5** — If you answered *Yes*, complete lines 6 through 9 and Worksheet A, line 1, on the back of Form IT-215 (also lines 21, 23 and 24 if you are a part-year resident); the Tax Department will compute the credit for you. If you answered *No*, complete lines 6 through 17 (and lines 18 through 26 if you are a part-year resident).

**Line 6** — This amount can be found on the appropriate line of the **federal** return you filed.

**Lines 7, 8, and 9** — If you received a taxable scholarship or fellowship that was not reported on a federal Form W-2, or had nontaxable earned income or business income or loss, you must enter the amount from your **Earned Income Credit Worksheet** found in the **instructions** for your **federal** return. Nontaxable earned income also includes 414(h) retirement contributions shown on your wage and tax statement(s), New York State Form IT-2102 (Copy 1) or federal Form W-2 (Copy 2). Line 9, *Business income or loss*, applies only to **federal** Form 1040 filers.

**Line 9** — Enter the amount of business income or loss from your federal Form 1040 instructions, *Earned Income Credit Worksheet*, line 5. **Do not use a minus sign or brackets to show a loss.** Check the appropriate box on line 9 to indicate if the amount reported is a profit or a loss. Be sure to enter your Employer Identification Number (EIN) for your business. If you have income or loss from more than one business, enter the EIN representing your primary business activity. If your primary business activity doesn't have an EIN, use your social security number.

**Line 10** — This amount can be found on the appropriate line of your **federal** return. If you owe the federal alternative minimum tax, disregard the preceding instruction and enter the amount of the federal earned income credit, as originally computed in the *EIC Worksheet* in your federal instructions **before** any reduction for the alternative minimum tax.

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**Line 11** — For 1997, the New York State earned income credit is 20% (.20) of the federal earned income credit reduced by any household credit allowed. The rate has already been filled in for you.

**Line 12** — This amount represents your earned income credit **before** it has been reduced by the amount of household credit allowed. **IT-100 filers stop**; the Tax Department will compute your earned income credit for you.

**Lines 13-15** — Form IT-200 filers, continue with line 13. Form IT-201 or IT-203 filers, complete Worksheet A on the back of the form. Then continue with line 13.

**Line 16** — If you are attaching this claim to your original 1997 New York State income tax return and you answered *No* at line 3:

**For filing status** ①, ②, ④, or ⑤

- **Residents** - Transfer the line 16 amount to Form IT-200, line 35, or Form IT-201, line 58.
- **Nonresidents** - Transfer the line 16 amount to Form IT-203, line 41.
- **Part-year Residents** - Transfer the line 16 amount to Form IT-203, line 41 **and continue on** line 18.

**For filing status** ③, **Married filing separate return**

- The line 16 amount represents both spouses' combined (total) earned income credit. You must complete line 17 and indicate the amount of line 16 that you are claiming.

If you have previously filed your 1997 New York State income tax return and you answered *Yes* at line 3:

**For filing status** ①, ②, ④, or ⑤

- **Residents, nonresidents, and part-year residents** - mail your completed Form IT-215 to:

STATE PROCESSING CENTER  
PO BOX 61000  
ALBANY NY 12261-0001

**For filing status** ③, **Married filing separate return**

- The line 16 amount represents both spouses' combined (total) earned income credit. You must complete line 17 and indicate the amount of line 16 that you are claiming.

**Line 17** — Complete this line **only** if your filing status is ③, *Married filing separate return*.

If you are attaching this claim to your original return and answered *No* at line 3, show the portion of line 16 that you are claiming as your share of the earned income credit and follow the appropriate instructions below. Remember, while the credit can be split in any manner you and your spouse agree to, the combined amount of both spouses' credits cannot be more than the amount on line 16.

- **Residents** - Transfer the line 17 amount to Form IT-200, line 35, or Form IT-201, line 58.

- **Nonresidents** - Transfer the line 17 amount to Form IT-203, line 41.

- **Part-year Residents** - Transfer the line 17 amount to Form IT-203, line 41 **and continue on** line 18.

If you have already filed your 1997 New York State income tax return and answered *Yes* at line 3:

- **Residents, nonresidents, and part-year residents** - Mail your completed Form IT-215 to:

STATE PROCESSING CENTER  
PO BOX 61000  
ALBANY NY 12261-0001

**Worksheet A, line 1** - If you filed a 1997 federal Form 1040 and are filing New York State Form IT-201 or IT-203, enter on line 1 your federal modified adjusted gross income from your federal Form 1040 instructions, *Earned Income Credit Worksheet*, line 8.

**If you elected to have the Internal Revenue Service figure your federal earned income credit for you, you must use the instructions below to determine your federal modified adjusted gross income (even if you are requesting the Tax Department to compute your New York State earned income credit for you).**

Federal modified adjusted gross income for most Form IT-201 or IT-203 filers is the same as federal adjusted gross income. Federal adjusted gross income is the amount reported on either Form IT-201, line 18 or Form IT-203, line 18, *Federal Amount* column. But if you filed federal Schedule(s) C, C-EZ, D, E, or F, your federal modified adjusted gross income is the amount reported on Form IT-201, line 18, or Form IT-203, line 18, *Federal Amount* column, **plus**

- Any net capital loss claimed on Form IT-201 or Form IT-203, line 7;
- Any net loss from estates and trusts claimed on federal Form 1040, Schedule E, line 36;
- Any royalty loss included on federal Form 1040, Schedule E, line 26;
- One-half of any net business loss claimed on Form IT-201 or Form IT-203, line 6;
- One-half of any net farm loss claimed on Form IT-201 or Form IT-203, line 12; and
- One-half of any loss determined by combining any rental real estate income or loss included on federal Schedule E, lines 26, any partnership or S corporation income or loss claimed on federal Schedule E, line 31, and any net farm rental income or loss from federal Schedule E, line 39. However, **do not** take into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee.

## Part-year Residents Only

**Lines 18 through 26** need to be completed **only** by part-year residents claiming the

earned income credit who are filing, or have previously filed, an IT-203, *Nonresident and Part-Year Resident Income Tax Return*, for this year. The amounts for these lines can be found on the appropriate lines of the IT-203 or IT-203-ATT, *Itemized Deduction and Other Credits and Taxes*, or their instructions.

The earned income credit must first reduce your tax liability to zero before the remaining excess earned income credit is eligible to be refunded. The amount to be refunded will be based on the ratio of resident period income to the combined income from both the resident and nonresident periods.

**Line 25** — Divide line 23 by line 24 and carry the result to four decimal places. (Do not enter more than 100% (1.0000) even if your actual result is more than 100%.) If the result is zero percent (0%), you have no remaining excess earned income credit available to be refunded. Do not complete line 26.

**Line 26** — If line 25 is greater than 0%, multiply line 22 by line 25. If you answered *No* at line 3, transfer the line 26 amount to Form IT-203, line 57 and attach Form IT-215 to your Form IT-203. This amount represents the refundable portion of your part-year resident earned income credit.

If you have previously filed your 1997 New York State income tax return and you answered *Yes* at line 3, mail your completed Form IT-215 to:

STATE PROCESSING CENTER  
PO BOX 61000  
ALBANY NY 12261-0001

## Privacy Notification

The right of the Commissioner of Taxation and Finance and the Department of Taxation and Finance to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions and forms, is found in Articles 22, 26, 26-A, 26-B, 30, 30-A and 30-B of the Tax Law, Article 2-E of the General City Law and 42 USC 405(c)(2)(C)(i).

The Tax Department will use this information primarily to determine and administer tax liabilities due the state and city of New York and the city of Yonkers. We will also use this information for certain tax offset and exchange of tax information programs authorized by law, and for any other purpose authorized by law.

Information concerning quarterly wages paid to employees and identified by unique random identifying code numbers to preserve the privacy of the employees' names and social security numbers will be provided to certain state agencies for research purposes to evaluate the effectiveness of certain employment and training programs.

Failure to provide the required information may result in civil or criminal penalties, or both, under the Tax Law.

This information will be maintained by the Director of the Registration and Data Services Bureau, NYS Tax Department, Building 8 Room 905, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the U.S. and Canada, call (518) 485-6800.