



Instructions for Form IT-215 Claim for Earned Income Credit

IT-215-I

New York State • New York City



This form may be e-filed as an attachment to an e-filed return; you cannot e-file this form by itself.

General information

Who qualifies

To qualify for the **New York State earned income credit** (NYS EIC) you must:

- have claimed the federal earned income credit for tax year 2005; **and**
- file (or have filed) a New York State return for 2005.

To qualify for the **New York City earned income credit** (NYC EIC) you must:

- have been a full-year or part-year resident of New York City for 2005;
- have claimed the federal earned income credit for 2005; **and**
- file (or have filed) a New York State income tax return for 2005.

Note: Because of the different methods for computing the two credits (NYS EIC and NYC EIC), if you qualify for the NYC EIC, you may end up with a NYC EIC amount even if you do not end up with a NYS EIC amount (line 16 of Form IT-215). Be sure to complete **Worksheet C, New York City earned income credit**, on page 3 to compute your NYC EIC. Also be sure to attach Form IT-215 to your income tax return.

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

How to claim the credit

To claim the **NYS EIC**, you must complete Form IT-215 using the information from your federal return, worksheets, and, if applicable, the federal earned income credit line instructions.

To claim the **NYC EIC**, you must:

- complete Form IT-215, using the information from your federal return, worksheets, and, if applicable, the federal earned income credit line instructions; and
- complete **Worksheet C, New York City earned income credit**, on page 3.

Important reminder to file a complete return

You must complete all required schedules and forms that make up your return, and

include all pages of those forms and schedules when you file. Attach **only** those forms and schedules that apply to your return, and be sure that you have made all required entries. Returns that are missing required pages or that have pages with missing entries are considered incomplete and cannot be processed, and may subject taxpayers to penalty and interest.

Where to file

If you have previously filed your 2005 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**

If you need information about using a *Private delivery service* instead of the U.S. Postal Service, see the instructions for your tax return.

Filling in your tax forms

For complete information on how to fill in New York State scannable income tax forms, see the instructions for:

- resident returns (Forms IT-150 and IT-201),
- nonresident and part-year resident return (Form IT-203),
- partnership return (Form IT-204), **or**
- fiduciary return (Form IT-205).

Also see the instructions for the above returns for the *Privacy notification* or if you *Need help* in contacting the Tax Department.

Line instructions

All resident, nonresident, and part-year resident filers complete lines 1 through 17 as applicable.

All part-year New York State resident filers must also complete lines 18 through 26.

All New York City residents and part-year residents must also complete lines 27 and 28.

Line 1 — You must have claimed the federal earned income credit for 2005 in order to claim the New York State and New York City earned income credits.

Line 2 — You cannot claim the New York State and New York City earned income credits if your investment income is more than \$2,700. 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);
- ordinary dividends income (from line 9a of federal Form 1040 or 1040A); and
- capital gain net income from line 10 of Form 1040A or line 13 of Form 1040 (if more than zero).

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

Line 3 — File Form IT-215 with your original 2005 New York State income tax return. If you have already filed your original return, you may file Form IT-215 by itself. Mail your form to: State Processing Center, PO Box 61000, Albany NY 12261-0001.

If you haven't previously filed your income tax return for this year, you **must** file this claim with a return.

Line 4 — If you claimed qualifying children on your 2005 federal Schedule EIC, list the same children (up to two) in the spaces provided on line 4 of Form IT-215. If you claimed more than two qualifying children on your 2005 federal Schedule EIC, enter the required information for two qualifying children in the spaces provided on the form and attach a statement to your return with the required identifying information for each additional child. Be sure to include your name and social security number (SSN) on your attachment.

Caution: To be eligible to claim the New York State and New York City earned income credits, you must provide a correct and valid SSN for each child listed on line 4.

If you have applied for a SSN by filing federal Form SS-5 with the Social Security Administration, but you have not received it by April 17, 2006:

- 1) File Form IT-370 requesting an automatic extension of time to file until October 16, 2006. (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 Six-Month Extension of Time to File for Individuals.*) **or**

2) File your return on time without claiming the earned income credits and do not attach Form IT-215. After receiving the SSN, file Form IT-215 and claim the credits.

Be sure to mark an **X** in the box under the heading *Full-time student* if your child was born before 1987 and was a full-time student under 24. Mark an **X** in this box **only** if you marked the **Yes** box on your 2005 federal Schedule EIC, line 4a.

Be sure to mark an **X** in the box under the heading *Person with disability* if your child was born before 1987 and was permanently disabled during any part of 2005. Mark an **X** in this box **only** if you marked the **Yes** box on your 2005 federal Schedule EIC, line 4b.

If you marked the box *Person with disability*, and your qualifying person is 24 years of age or older, **you must attach a letter from a physician stating that the person is disabled.** When we receive a letter from your qualifying person's doctor stating that your qualifying person is, by definition, permanently and totally disabled, we will keep that statement on file, and you will not have to provide this information again.

Line 6 — Complete *Worksheet A* below to determine the amount to enter on line 6.

Worksheet A	
wages, salaries, tips, etc.	
1. Enter the amount from federal Form 1040EZ, line 1; Form 1040A, line 7; or Form 1040, line 7;	1. _____
or	
if you are a member of the clergy or a church employee who checked the Yes box in step 5, line 1, of the federal Form 1040 instructions for lines 66a and 66b, enter the amount from the first space of step 5, line 2, of the Form 1040 instructions.....	
2. Enter the amount, if any , from federal Form 1040EZ, line 8b; Form 1040A line 41b; or Form 1040, line 66b	2. _____
3. Add lines 1 and 2. Enter here and on Form IT-215, line 6.	3. <input style="width: 100px; height: 20px;" type="text"/>

Line 7 — If you received a taxable scholarship or fellowship grant that was not reported on a federal Form W-2, if you were paid an amount as an inmate in a penal institution for work, or if you received an amount as a pension or annuity from a nonqualified deferred

compensation plan or a nongovernmental section 457 plan (this amount may be shown on your wage and tax statement(s) federal Form W-2, box 11), enter the amount from your federal Form 1040A instructions for line 41a, or from your federal Form 1040 instructions for line 66a, the amount in the second space (the *subtract* line) of step 5, line 2.

Line 8 — *Business income or loss* applies only to **federal** Form 1040 filers. Enter the amount of business income or loss from your federal Form 1040 instructions, *Earned Income Credit Worksheet B*, the total of lines 1e, 2c and 3. **Do not use a minus sign or brackets to show a loss.** Mark an **X** in the appropriate box on line 8 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, enter your social security number.

Line 10 — This amount can be found on the appropriate line of your **federal** return. However, if you owe the federal alternative minimum tax, 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.

Line 11 — For 2005, the NYS EIC is 30% (.30) 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 NYS EIC **before** it has been reduced by the amount of household credit allowed.

If the amount on line 12 is more than 0, and you are a full-year or part-year New York City resident, be sure to complete **Worksheet C, New York City earned income credit**, on page 3 to compute your NYC EIC. Enter the amount of your NYC EIC on Form IT-215, line 27.

Lines 13, 14, and 15 — Form IT-150 filers, continue with line 13. Form IT-201 or IT-203 filers, complete **Worksheet B** on the back of Form IT-215. Then continue with line 13.

Line 16 — If you are attaching this claim to your original 2005 New York State income tax return and you answered *No* at line 3:

For filing status ①, ②, ④, or ⑤

- **Residents** — Enter the line 16 amount on Form IT-150, line 39, or Form IT-201, line 64.
- **Nonresidents** — Enter the line 16 amount on Form IT-203, line 43.

- **Part-year residents** — Enter the line 16 amount on Form IT-203, line 43, **and continue on** line 18.

For filing status ③, Married filing separate return

- The line 16 amount represents both spouses' combined (total) NYS EIC. 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*. See the instructions for Form IT-150, IT-201, or IT-203 to determine your filing status.

If you are attaching this claim to your original return, show the portion of line 16 that you are claiming as your share of the NYS EIC, and follow the appropriate instructions below. Remember, while the NYS EIC can be split in any manner you and your spouse agree to, the combined amount of both spouses' New York State credits cannot be more than the amount on line 16.

- **Residents** — Enter the line 17 amount on Form IT-150, line 39, or Form IT-201, line 64.
- **Nonresidents** — Enter the line 17 amount on Form IT-203, line 43.
- **Part-year residents** — Enter the line 17 amount on Form IT-203, line 43, **and continue on** line 18.

Part-year New York State residents only

Lines 18 through 26 need to be completed **only** by part-year New York State residents claiming the NYS EIC who are filing, or have previously filed, Form 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 Form IT-203 or Form IT-203-ATT, *Other Tax Credits and Taxes*, or their instructions (Form IT-203-I).

The NYS EIC must first reduce your tax liability to zero before the remaining excess NYS EIC 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 round the result to the fourth decimal place. (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, enter the line 26 amount on Form IT-203-ATT, line 10, and attach Form IT-215 to your Form IT-203. This amount represents the refundable portion of your part-year resident NYS EIC.

Note to paid preparers — When signing a taxpayer's New York State income tax return, you must use the same number (social security number of federal preparers tax identification number) that you use when preparing federal income tax returns. For more information relating to the signing of returns by a paid preparer and other requirements relating to paid preparers, see Publication 58, *Information for Income Tax Return Preparers*.

Instructions for completing Worksheet C, New York City earned income credit, below:

Line 1 — You must have claimed the federal earned income credit for 2005 and have completed Form IT-215 in order to claim the **NYC EIC**. Because of the different methods in computing the two credits (NYS EIC and NYC EIC), if you qualify for the NYC EIC, you will end up with an NYC EIC amount even if you do not end up with a NYS EIC amount (line 16 of Form IT-215 is 0).

Line 4 — Complete this line only if your New York City filing status is *Married filing separate return*. See the instructions for Form IT-150, IT-201, or IT-203 to determine your filing status.

Remember that while the NYC EIC can be split in any manner you and your spouse agree to, the combined amount of both spouses' New York City credits cannot be more than the amount on line 3. **If you are a full-year New York City resident, enter this amount on Form IT-215, line 27; also enter on Form IT-150, line 43, or on Form IT-201, line 68. If you are a part-year New York City resident, continue with line 5.**

Lines 6 and 7 — **Part-year New York City residents must also enter this amount on Form IT-215, line 28.**

Note: If your filing status is married filing a joint return, you and your spouse had different New York City resident periods, and you are filing separate Forms IT-360.1, enter on lines 6 and 7 both spouses' combined (total) amounts from both Forms IT-360.1.

Worksheet C

New York City earned income credit

(Worksheet C instructions above)

- 1 Amount of federal EIC claimed (from Form IT-215, line 10; see instructions above) 1. , .
- 2 NYC EIC rate 5% (.05) 2. .
- 3 Allowable NYC EIC (multiply line 1 by line 2) 3. .

- If your New York City filing status is *Married filing separate return*, also complete line 4 below.
- Part-year New York City residents must also complete lines 5 through 9 below.
- All others enter the line 3 amount on Form IT-215, line 27; also enter on Form IT-150, line 43, or on Form IT-201, line 68.

- 4 If your New York City filing status is *Married filing separate return*, the NYC EIC credit on line 3 above can be divided between spouses in any manner you wish.
Enter on line 4 the amount of credit you are claiming. 4. .

- Part-year New York City residents must also complete lines 5 through 9 below.
- All others enter the line 4 amount on Form IT-215, line 27; also enter on Form IT-150, line 43, or on Form IT-201, line 68.

Part-year New York City residents only (If your filing status is ② and you and your spouse had different New York City periods of residency, see the Worksheet C instructions above)

- 5 NYC earned income credit (from line 3 or line 4 above) 5. .
 - 6 Enter the amount from Form IT-360.1, line 20, **Column B**; also enter this amount on Form IT-215, line 28B. 6. , .
 - 7 Enter the amount from Form IT-360.1, line 20, **Column A**; also enter this amount on Form IT-215, line 28A. 7. , .
 - 8 Divide line 6 by line 7 (round the result to four decimal places; cannot exceed 1.000) 8. .
 - 9 Part-year New York City resident EIC (multiply line 5 by line 8). Enter this amount on Form IT-215, line 27; also enter on Form IT-201, line 68, or on Form IT-203-ATT, line 11 9. .
- Also complete line 28 on Form IT-215.