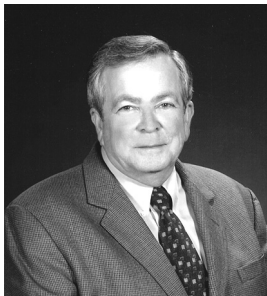


## Earned Income Tax Credit Can Put Money in Your Pocket



John Villyard, CEO

San Luis Valley Rural Electric Cooperative

There are 64 counties in Colorado. Of the seven counties SLVREC serves, two rank lowest in the state in terms of per capita income. With an average annual income of just over \$12,500, Conejos comes in at number 63 and at \$10,700, Costilla ranks 64.

Of the 13 poorest counties in the state, SLVREC serves five. Additionally, per information released by the IRS, rural and non-traditional families—such as grandparents raising grandchildren—childless workers, and Spanish-speaking taxpayers are among those who most frequently overlook the

credit.

For these reasons, I feel it's important to point out that many Valley residents could be cheating themselves at tax time by not investigating the Earned Income Tax Credit—or EITC—worth up to \$5,600 or more this year. You could be eligible for EITC even if you are not required to file a tax return. The IRS estimates one in four eligible taxpayers will overlook this credit.

EITC is a refundable tax credit, meaning you can get money back even if you owe no federal income tax or had no tax withheld. And, if you owe tax, it can offset the amount you must pay.

The credit has been making the lives of working people a little easier for 35 years. Yet it remains little known, possibly because people move into and out of eligibility as their financial, marital and parental statuses change.

Unlike other tax credits,

EITC is based on several factors such as the source and amount of your income, or combined income if married, whether you have qualifying children and how many. Children are not required for eligibility, but they increase the amount of your credit. Through new legislation, families with three or more children can get even more money.

The credit phases out at certain income amounts based on varying factors. However it's worth exploring if you think there is a chance you might qualify.

If you had less than \$48,000 in income from wages, self-employment or farming in 2009, you can see if you qualify by investigating online at the IRS website: [www.irs.gov](http://www.irs.gov). Use the search keyword "EITC."

The IRS's online EITC Assistant can help you determine your eligibility and the amount of your credit, or you can use the worksheet in

your tax instruction package instead.

No-cost help to file for taxes and EITC is available in many communities. Volunteer income tax assistance sites and IRS Taxpayer Assistance Centers can help compute your EITC and prepare your return at no charge. The closest IRS Assistance Center to the Valley is located in Colorado Springs. No appointment is needed. Call 719-579-5227 for information on the Center's hours. You may speak to an IRS representative on tax issues by calling the IRS at 800-829-1040.

Remember: if you are eligible, you must file a federal income tax return, even if you are not otherwise required to file, and you must specifically claim the credit to get it.

**SAN LUIS VALLEY  
RURAL ELECTRIC CO-OP**

Serving the Valley Since 1937  
3625 US Hwy 160 W  
P.O. Box 3625  
Monte Vista, CO 81144