

More Money for You: 2025 Earned Income Tax Credits



Extension

UNIVERSITY OF WISCONSIN-MADISON

<p>What is the Earned Income Tax Credit (EITC)?</p>	<p>The EITC is a tax credit for workers who earn low or moderate incomes. There are two types of Earned Income Credits: a federal credit that is claimed on your federal taxes, and a Wisconsin credit that is claimed on your state taxes. You must have a valid Social Security Number for yourself and any children in order to claim the EITC.</p>
<p>Do I qualify for the Earned Income Tax Credit?</p>	<p>For the 2025 tax year, workers may qualify for the federal EITC credit if they make less than:</p> <p>\$19,104 (\$26,214 if married) with no children; \$50,434 (\$57,554 if married) with one child; \$57,310 (\$64,430 if married) with two children; and \$61,555 (\$68,675 if married) with three or more children</p> <p>Wisconsin residents with children who claim the federal EIC may also receive a state credit. They must live in Wisconsin all of 2025.</p>
<p>What if I make too little to file taxes? What if I do not owe any taxes?</p>	<p>Workers can benefit from EITC even if they owe no income tax or would not otherwise file a tax return due to low income. If taxes are owed, the EITC is used for those taxes and the rest of the credit is refunded by the Internal Revenue Service and State of Wisconsin after taxes are filed but no earlier than February 15 of each year.</p>
<p>What forms do I use to claim the EIC?</p>	<p>You must file both state and federal income tax returns to claim the Earned Income Credit benefits, even if you do not owe taxes.</p> <ul style="list-style-type: none"> •For Federal: Form 1040 and Schedule EIC •For State: Wisconsin tax form 1 (line 29)
<p>Does the EIC count as income? Will it affect my eligibility for welfare?</p>	<p>Earned Income Tax Credits do not count as income in determining eligibility or benefit levels for W-2, Medicaid, Food Stamps, SSI, or public or subsidized housing.</p>
<p>Where can I get help?</p>	<ul style="list-style-type: none"> • Internal Revenue Service (IRS): 800-829-1040 7am-7pm, Monday-Friday • Wisconsin Department of Revenue: 608-266-2772 7:45am-4:30pm, Monday-Friday • Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) are no-cost programs that can provide low to moderate income individuals with tax assistance, including online filing.

This document provides an educational overview of the federal and Wisconsin Earned Income Tax Credits and does not constitute tax advice.

<https://finances.extension.wisc.edu/article-topic/saving-on-taxes/>