



STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
PO BOX 269
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NOTICE TO EMPLOYERS

REQUIREMENT TO NOTIFY EMPLOYEES OF POTENTIAL EARNED INCOME TAX CREDIT (EITC) ELIGIBILITY

Chapter 210, P.L. 2005 requires all public and private employers to give written notification to potentially eligible employees of the availability of both the federal and New Jersey earned income tax credits when the employer gives the employee the statement of wages and tax withholding (Form W-2) already required under current law.

The notification is to be distributed between January 1 and February 15 of each year to coincide with the employer's distribution of the wage and tax withholding statement. The written notification must use the [statement](#) developed by the State Treasurer.

The employer shall notify only those employees whom the employer knows, or reasonably believes, may be eligible for the federal credit based on the wages the employee earned during the prior year as reported in the statement of wages and tax withholding. Eligibility for the federal earned income tax credit is based on an employee's earned income and adjusted gross income, filing status, and the number of qualifying children he or she has (if any).

For the 2011 tax year, the employee must have earned income (wages, net profits from business) and their adjusted gross income (AGI) must be less than:

- \$43,998 (\$49,078, if married filing jointly) with three or more qualifying children
- \$40,964 (\$46,044, if married filing jointly) with two qualifying children
- \$36,052 (\$41,132, if married filing jointly) with one qualifying child
- \$13,660 (\$18,740, if married filing jointly) with no qualifying children

Thus, it is reasonable to believe that any employee whose wages earned during 2011 were \$49,078 or less may be potentially eligible for the 2011 federal earned income tax credit. Only these employees should be given the required written notification.