Department of the Treasury Internal Revenue Service

Earned Income Credit Advance Payment Certificate

1992

Instructions

Purpose of Form.—Fill in Form W-5 and give it to your employer if you expect to be eligible for the earned income credit (EIC) and want to receive part of the credit in advance.

The checklist on page 2 will help you find out if you may be eligible for the credit. Please read these instructions carefully before you begin the checklist.

What Is the EIC?—The EIC is a tax credit for certain workers who have a qualifying child (defined later). The credit has three parts: basic credit, credit for child born in 1992, and health insurance credit. For 1992, the basic EIC can be as much as \$1,324 (\$1,384 if you have more than one qualifying child).

Who Can Claim the EIC?—You may be able to claim the EIC for 1992 if you work and meet all the following requirements:

- You expect your 1992 earned income and adjusted gross income each to be less than \$22,370. (Your 1991 adjusted gross income was reported on Form 1040A, line 16, on Form 1040EZ, line 3, and on Form 1040, line 31.)
- You have a qualifying child.
- If married, you **must** file a joint return unless you lived apart from your spouse for the last 6 months of 1992 and qualify to file as head of household.

- You are not a qualifying child of another person.
- You do not expect to claim the foreign earned income or housing expense exclusion or the foreign housing expense deduction.

Advance Payment of the EIC.—If you are eligible, you can choose to get up to \$1,324 of the basic credit in advance with your pay instead of waiting until you file your 1992 Federal income tax return. To get advance payments, fill in the certificate at the bottom of this page, detach it, and give it to your employer.

You may have only **one** certificate in effect with a current employer at one time. If you and your spouse are both employed, each of you should file a separate Form W-5.

Note: You may be able to get a larger credit when you file your 1992 Federal income tax return. For details, see Additional Credit on page 2.

Qualifying Child.— Any child who meets **all** the following conditions is a **qualifying child**:

- The child must be your son, daughter, adopted child, stepchild, foster child, or a descendant (for example, your grandchild) of your son, daughter, or adopted child.
- The child must be under age 19 or a full-time student under age 24 at the end of 1992, or permanently and totally disabled.

• The child must live with you in your main home in the United States for more than 6 months during 1992 (for all of 1992 if the child is your foster child).

Temporary absences such as for school, medical care, or vacation count as time lived with you. Also, a child who was born, or died, in 1992 is considered to have lived with you for the entire year if your home was the child's home while he or she was alive.

An adopted child includes a child who is placed with you by an authorized placement agency for legal adoption, even if the adoption isn't final. A foster child is a child whom you cared for as your own for the entire year.

If the child is married at the end of 1992, you must be entitled to claim the child as your dependent. However, you will be treated as being entitled to claim the child as your dependent if:

- You are the custodial parent, AND
- You would have been eligible to claim the child as your dependent, but you signed a written agreement or have a pre-1985 divorce decree or separation agreement allowing the noncustodial parent to claim the child.

If the child is a qualifying child of more than one person, only the person with the **highest** adjusted gross income may treat that child as a qualifying child.

(Continued on page 2)

Form W-5	Earned Income Credit Advance Payment Certificate	 1@ Q2
Department of the Treasury Internal Revenue Service	► This certificate expires on December 31, 1992.	
Type or print your full name		Your social security number
Home address (number, street or rura	al route, apt. no.)	

Under penalties of perjury, I declare that the information I have furnished above is, to the best of my knowledge, true, correct, and complete.

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Earned Income Credit Checklist Yes No To find out if you may be eligible for the earned income credit, answer the questions below for 1992. Please read the instructions carefully first. If your answer is "Yes," STOP HERE. You are not eligible for the EIC. Do you expect your earned income and adjusted gross income each to be less than \$22,370 (including your spouse's income)? If your answer is "No," STOP HERE. You are not eligible for the EIC. If your answer is "No," STOP HERE. You are not eligible for the EIC. If your answer is "Yes," you must be able to answer "Yes" to ALL of the following: • Do you expect the child to live with you in the United States for more than half of 1992, or for all of 1992 if the child is a foster child? (The amount of time the child lives with you includes time away at school or on vacation.) • If the child is a qualifying child for both you and another person (other than your spouse if filing a joint return), • If the child is married, do you expect to be able to claim him or her as your dependent? (If you would be eligible to claim the child, but you signed a written agreement or have a pre-1985 divorce decree or separation agreement • Will the child be either under age 19 or a full-time student under age 24 at the end of 1992, OR is the child permanently and totally disabled? Reminder: You must get a social security number for any child who will reach age 1 by the end of the year.

(Instructions continued)

If Your Status Changes.—If your status changes in 1992 after you file this certificate with your present employer, you usually will have to fill in a new certificate.

If your status changes so that your answer to question A in the earned income credit checklist becomes "Yes," or your answer to any other question becomes "No," or if you no longer want to receive advance payments, you should file a new certificate. Check the "No" box on line 1 of the new certificate to show that you are not qualified or no longer want to get advance payments.

If your status changes because your spouse files a certificate with his or her employer, you must file a new certificate with your employer. Check the "Yes" box in question 3 to show that your spouse has filed.

Note: If you receive advance payment of the EIC and later find out that you are not eligible, you must pay it back when you file your annual Federal income tax return.

Expiration of Certificate.—This certificate expires on December 31, 1992. If you expect to qualify for the

earned income credit in 1993, you must file a new certificate for 1993.

Additional Information

If you receive advance payment of the credit, you **must** file Form 1040 or Form 1040A for 1992. If you don't fill out Form W-5, you won't receive advance payments. But you can still claim the credit on your 1992 Form 1040 or Form 1040A.

How To Claim the Credit.—To claim the EIC for 1992, fill in and attach Schedule EIC to your Form 1040 or Form 1040A. In addition to other information you must show the social security number of each qualifying child age 1 or older at the end of 1992 on Schedule EIC.

Additional Credit.—You may be able to claim a larger credit when you file your 1992 tax return if you have more than one qualifying child, have a qualifying child born in 1992, or pay for health insurance in 1992 that covers a qualifying child. However, you cannot receive an advance payment for the additional credit. You must file your 1992 tax return to claim it.

For more information, get **Pub. 596,** Earned Income Credit, available at most IRS offices or by calling 1-800-829-3676.

Privacy Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

Internal Revenue Code section 3507 and its regulations require that you fill out Form W-5 and give it to your employer if you want advance payment of the EIC. Internal Revenue Code section 6109 and its regulations require that you show your social security number on what you file. As provided by law, we may give the information to the Department of Justice and other Federal agencies. In addition, we may give it to certain cities, states, and the District of Columbia so they may carry out their tax laws.