

Worksheet B—Earned Income Credit (EIC)—Lines 66a and 66b

Keep for Your Records



Use this worksheet if you answered “Yes” to Step 5, question 3, on page 47, and you do not elect to use your 2004 earned income to figure your EIC (see page 47).

- ✓ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.
- ✓ If you are married filing a joint return, include your spouse’s amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

<p>Part 1</p> <p>Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE</p>	<p>1a. Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies.</p> <hr/> <p>b. Enter any amount from Schedule SE, Section B, line 4b, and line 5a.</p> <hr/> <p>c. Combine lines 1a and 1b.</p> <hr/> <p>d. Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies.</p> <hr/> <p>e. Subtract line 1d from 1c.</p>	<p>1a</p> <p>+ 1b</p> <p>= 1c</p> <p>– 1d</p> <p>= 1e</p>	<p> </p> <p> </p> <p> </p> <p> </p> <p> </p>
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<p>Part 2</p> <p>Self-Employed NOT Required To File Schedule SE</p> <p><small>For example, your net earnings from self-employment were less than \$400.</small></p>	<p>2. Do not include on these lines any statutory employee income or any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361.</p> <hr/> <p>a. Enter any net farm profit or (loss) from Schedule F, line 36, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*.</p> <hr/> <p>b. Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9*.</p> <hr/> <p>c. Combine lines 2a and 2b.</p>	<p>2a</p> <p>+ 2b</p> <p>= 2c</p>	<p> </p> <p> </p> <p> </p>
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*Reduce any Schedule K-1 amounts by any partnership section 179 expense deduction claimed, unreimbursed partnership expenses claimed, and depletion claimed on oil and gas properties. If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Put your name and social security number on Schedule SE and attach it to your return.

<p>Part 3</p> <p>Statutory Employees Filing Schedule C or C-EZ</p>	<p>3. Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee.</p>	<p>3</p>	<p> </p>
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<p>Part 4</p> <p>All Filers Using Worksheet B</p> <p><small>Note. If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.</small></p>	<p>4a. Enter your earned income from Step 5 on page 47.</p> <hr/> <p>b. Combine lines 1e, 2c, 3, and 4a. This is your total earned income.</p> <hr/> <p>If line 4b is zero or less, You cannot take the credit. Put “No” on the dotted line next to line 66a.</p> <p>5. If you have:</p> <ul style="list-style-type: none"> • 2 or more qualifying children, is line 4b less than \$35,263 (\$37,263 if married filing jointly)? • 1 qualifying child, is line 4b less than \$31,030 (\$33,030 if married filing jointly)? • No qualifying children, is line 4b less than \$11,750 (\$13,750 if married filing jointly)? <p><input type="checkbox"/> Yes. If you want the IRS to figure your credit, see page 48. If you want to figure the credit yourself, enter the amount from line 4b on line 6 (page 51).</p> <p><input type="checkbox"/> No. You cannot take the credit. Put “No” on the dotted line next to line 66a.</p>	<p>4a</p> <p>4b</p>	<p> </p> <p> </p>
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Part 5

All Filers Using Worksheet B

6. Enter your total earned income from Part 4, line 4b, on page 50. 6

7. Look up the amount on line 6 above in the EIC Table on pages 52–58 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. 7

If line 7 is zero, You cannot take the credit. Put “No” on the dotted line next to line 66a.

8. Enter the amount from Form 1040, line 38. 8

9. Are the amounts on lines 8 and 6 the same?
- Yes.** Skip line 10; enter the amount from line 7 on line 11.
 - No.** Go to line 10.

Part 6

Filers Who Answered “No” on Line 9

10. If you have:
- No qualifying children, is the amount on line 8 less than \$6,550 (\$8,550 if married filing jointly)?
 - 1 or more qualifying children, is the amount on line 8 less than \$14,400 (\$16,400 if married filing jointly)?
- Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.
- No.** Look up the amount on line 8 in the EIC Table on pages 52–58 to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. 10
- Look at the amounts on lines 10 and 7. Then, enter the **smaller** amount on line 11.

Part 7

Your Earned Income Credit

11. **This is your earned income credit.** 11

Reminder—

- ✓ If you have a qualifying child, complete and attach Schedule EIC.



If your EIC for a year after 1996 was reduced or disallowed, see page 48 to find out if you must file Form 8862 to take the credit for 2005.