

## Worksheet B: Indiana’s Earned Income Credit (EIC)

Use this worksheet if you answered “Yes” to Step 6, question 3.

- 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.

### **Part 1 – Self-employed, members of the clergy, and people with church employee income filing federal Schedule SE**

- 1a. Enter the sum of federal Schedule SE, lines 3, 4b, and 5a..... 1a. \_\_\_\_\_
- 1b. Enter the amount from federal Schedule SE, line 13..... 1b. \_\_\_\_\_
- 1c. Subtract line 1b from 1a ..... 1c. \_\_\_\_\_

### **Part 2 – Self-employed NOT required to file federal Schedule SE (net earnings from self-employment were less than \$400)**

2. Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, any amount exempt from self-employment tax as the result of filing and approval of federal Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.
- 2a. Enter any net farm income or (loss) from federal Schedule F, line 34, and from farm partnerships, Schedule K-1 (federal Form 1065), box 14, code A ..... 2a. \_\_\_\_\_
- 2b. Enter any net profit or (loss) from federal Schedule C, line 31; Schedule K-1 (federal Form 1065), box 14, code A ..... 2b. \_\_\_\_\_
- 2c. Add lines 2a and 2b..... 2c. \_\_\_\_\_

### **Part 3 – Statutory employees filing federal Schedule C**

3. Enter the amount from federal Schedule C, line 1, that you are filing as a statutory employee ..... 3. \_\_\_\_\_

### **Part 4 – All filers using Worksheet B**

- 4a. Enter your earned income from Step 6, Box B ..... 4a. \_\_\_\_\_
- 4b. Add lines 1c, 2c, 3 and 4a. This is your total earned income ..... 4b. \_\_\_\_\_
5. If you have:
- Two or more qualifying children, is line 4b less than \$49,399?
  - One qualifying child, is line 4b less than \$43,450?
  - No qualifying children, is line 4b less than \$16,400?

**Yes.** Enter the amount from line 4b on line 6 of this worksheet.

**No. STOP.** You cannot take the credit.

### **Part 5 – All filers using Worksheet B**

6. Enter your total earned income from Part 4, line 4b..... 6. \_\_\_\_\_
7. Look up the amount on line 6 above in the *Indiana Earned Income Credit Table* starting on page 18 to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here ..... 7. \_\_\_\_\_

If line 7 is zero, **STOP.** You cannot take the credit.

8. Enter your modified adjusted gross income from Step 5, Box A. (If you filled out Worksheet 3, enter the amount from line 17.)..... 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.

## Worksheet B: Indiana's Earned Income Credit (EIC) (continued)

### **Part 6 – Filers who answered “No” on line 9**

10. If you have:
- No qualifying children, is the amount on line 8 less than \$9,150?
  - One qualifying child, is the amount on line 8 less than \$20,150?
  - Two or more qualifying children, is the amount on line 8 less than \$20,150?

**Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.

**No.** Look up the amount on line 8 in the *Indiana Earned Income Credit Table* starting on page 18 to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here ..... 10. \_\_\_\_\_

Look at the amounts on line 10 and 7. Then, enter the **smaller** amount on line 11.

### **Part 7 – Your Indiana earned income credit**

11. This is the amount from Part 5 or Part 6 above..... 11. \_\_\_\_\_
12. If you have an alternative minimum tax on your federal tax return, Form 1040/1040-SR, then multiply that amount by 10% (.10) and enter the result here..... 12. \_\_\_\_\_
13. Subtract line 12 from line 11 (if zero or less, STOP. You cannot take a credit). Enter this amount here ..... 13. \_\_\_\_\_
14. Enter the earned income credit claimed on your federal tax return, Form 1040/1040-SR..... 14. \_\_\_\_\_
15. Multiply line 14 by .10 (10%). Enter result here..... 15. \_\_\_\_\_
16. Look at the amount on line 13 and on line 15. Then, enter the smaller amount here and on Schedule IN-EIC, line A-3 ..... **Indiana Earned Income Credit** 16. \_\_\_\_\_

**Final Step – You must complete Schedule IN-EIC and enclose it with your filing.**