



State of Louisiana

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OFFICE OF THE LIEUTENANT GOVERNOR
DEPARTMENT OF CULTURE, RECREATION & TOURISM
MANAGEMENT AND FINANCE

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HUMAN RESOURCES MEMORANDUM NO. 03-005

January 6, 2003

TO: Lt. Governor, Secretary, Undersecretary, Assistant Secretaries, Deputy Assistant Secretaries, Program Managers

FROM: Mary F. Ginn
Human Resources Director

SUBJECT: Advance Earned Income Credit

The Earned Income Credit (EIC) is a special credit for certain workers. It reduces the amount of tax the employee may owe and may give the employee a refund even if they do not owe any tax.

To be eligible for advance EIC payments, an employee must have a qualifying child, expect to fall within the required income limits, and meet additional Internal Revenue Service (IRS) requirements.

The amount the employee can get in advance depends on the amount of earned wages. If the employee is married, the amount of the advance EIC payment also depends on whether the employee=s spouse has filed a Form W-5 with his/her employer. To request advance EIC payments, eligible employees must complete a Form W-5, Earned Income Credit Advance Payment Certificate, and submit it to Human Resources. Please copy and make available to all interested employees the attached 2003 Form W-5 with instructions. Eligibility criteria and a detailed explanation of the EIC payment are contained in the instructions.

The Form W-5 is effective for only one calendar year and the employee must submit a new Form W-5 each year he/she expects to be eligible for the credit. The Form W-5 becomes effective with the first payroll period ending after the date the certificate is received by payroll. If you do not choose to get advance payments, you can still claim the EIC on your 2003 tax return.

Please contact the Human Resources Office at (225) 342-0880 if you have any questions.

Attachment

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