

Comparing the Eligibility Requirements for the EIC and the CTC

	Earned Income Credit	Child Tax Credit
Relationship	See EIC qualifying child rules.	Same as EIC
Age	See EIC qualifying child rules.	Must be under age 17
Residency with Child	Worker must <i>live with child</i> more than 6 months of the year in the U.S.	Same as EIC, (except a non-custodial parent may claim the CTC if permitted by a divorce or separation agreement to claim the child as a dependent.)
Dependency	Not required (except for a claim by a married parent who separated from his or her spouse during the first half of the year)	Only required for non-custodial parent exception above. However, the child may not be claimed for the CTC if the child <i>provided over one-half of his or her own support</i> .
Income	Specific income limits and \$2,700 limit on income from investments (<i>see IRS Publication 596</i>)	Must have more than \$11,000 <i>taxable</i> earned income. No limit on investment income.
Immigration	Worker, spouse and qualifying child must each have valid Social Security numbers that permit them to work legally in U.S.	Child must be U.S. citizen or a resident alien; Social Security number or ITINs for parents and children are required.
Special Forms	Schedule EIC required for families with children; it requires the child's birth date, SSN and information on child's relationship to taxpayer.	Form 8812, "Additional Child Tax Credit." In rare cases, if child is not also claimed as a dependent, add Form 8901.
Impact on Other Benefits	EIC is not income for food stamps, SSI, Medicaid, federal housing, foster care or adoption assistance. EIC refunds do not count toward resource limits in the month of receipt or in the following month. They do not count for nine months in SSI and for a full year in food stamps. Rules regarding the effect of EIC on other programs, e.g., TANF, State Children's Health Insurance Program, child care subsidies, heating assistance are state-determined.	CTC is not income for any federal, state, or local program financed even in part by federal funds. CTC refunds generally do not count toward resource limits in the month of receipt or in the following month. They do not count for nine months in SSI.