

2021 States with Earned Income Tax Requirements

| State | Requirement |
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| California | <p>Assembly Bill 650 requires that an employer shall notify all employees that they may be eligible for the federal and the California EITC within one week before or after, or at the same time, that the employer provides an annual wage summary, including, but not limited to, a form W-2 or a form 1099, to any employee. The employer shall provide the notification required by subdivision (a) by handing directly to the employee or mailing to the employee's last known address. For more information, access the California EITC website at https://www.ftb.ca.gov/file/personal/credits/california-earned-income-tax-credit.html</p> <p>Attached is a sample of the notice https://go.paychex.com/sites/go/files/2021-12/CA%20Sample%20Notice.pdf.</p> |
| Delaware | <p>Updated 1/06/22</p> <p>Employees must be furnished with Forms W-2 by January 31 of each year or within 30 days of the last payment of wages. At the same time, employers must furnish employees with all information required by the IRS regarding the employees' eligibility for the federal earned income tax credit and any other information the director requires.</p> <p>For more information on federal eligibility requirements go to the Internal Revenue Service at https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc.</p> |
| Illinois | Not updated yet for 2021 |
| Louisiana | <p>Employers are required to notify their employees of the Federal Earned Income Tax Credit (EITC) general eligibility requirements. Employers can go to the following link to get a copy of the notice to distribute to employees: https://www.laworks.net/Downloads/Posters/2021_Earned_Income_Credit.pdf.</p> |
| Maine | <p>Updated 1/06/22</p> <p>Employers must furnish W-2 forms to their employees by January 31, or within 30 days of the employee's written request for terminating employees. Effective since January 1, 2020, employers must post in a place accessible to employees a poster or notice stating that employees may be eligible for the federal and state earned income tax credits and that they may apply for the credits on their income tax returns. The notice is included in the Maine Department of Labor's Regulation of Employment poster at https://www.maine.gov/labor/docs/2021/posters/regulationofemployment.pdf.</p> |
| Maryland | <p>On or before December 31, 2021, you must provide electronic or written notice to employees who may be eligible for the federal and Maryland EITC. For more information, including an employee notice go to https://www.marylandtaxes.gov/forms/Tax_Publications/Tax_Alerts/Employer_Withholding_Tax_Alert_2021.pdf</p> |

| State | Requirement |
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| New Jersey | <p>Updated 1/13/22</p> <p>A written notification must use a statement developed by the New Jersey state treasurer between January 1, and February 15, 2021. You are required to provide this information only to those employees you reasonably believe may be eligible for the federal credit based on wages earned during the year as reported on Forms W-2. You're required to give these employees the notification.</p> <ul style="list-style-type: none"> • Attached is a link to the New Jersey notice https://www.state.nj.us/treasury/taxation/pdf/eitcnotice.pdf • Attached is a link to the New Jersey statement at https://www.state.nj.us/treasury/taxation/pdf/eitcstatement.pdf |
| Oregon | <p>You must provide written notice to each employee about the state and federal earned income tax credits. The Bureau of Labor and Industries (BOLI) require you to provide written notice to each employee about the state and federal earned income tax credits. The notice must:</p> <ul style="list-style-type: none"> • Be in English and in the language you typically use to communicate with the employee. • Be sent annually with the employee's federal Form W-2. <p>Provide website addresses where employees can find information about the state and federal earned income tax credits:</p> <ul style="list-style-type: none"> • Internal Revenue Service at https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc. • Oregon Department of Revenue at https://www.oregon.gov/DOR/programs/individuals/Pages/credits.aspx <p><i>Suggested wording from the agency for the employee notice:</i></p> <p>You may be eligible for the Earned Income Tax Credit (EITC or EIC), a benefit for working people with low to moderate income, particularly those with children. EITC reduces the amount of tax owed and may provide a refund.</p> |
| Texas | <p>Employers are required to give employees notification of the availability of the federal earned income tax credit on or before March of each year. Written, electronic or in person notification to all employees of the Federal Earned Income Tax Credit general eligibility requirements using IRS Notice 797. For more information, go to the agency website at https://twc.texas.gov/businesses/earned-income-tax-credit-notification.</p> |
| Virginia | <p>Virginia employers must post notices issued by the Virginia Department of Social Services at https://go.paychex.com/sites/go/files/2021-12/VA%20cli_flyer2021.pdf on the federal and Virginia earned income tax credits (EITC) in the same location where other state or federal required notices are posted.</p> <ul style="list-style-type: none"> • The Virginia Department of Social Services may distribute the notice on the availability of earned income tax electronically. The notice will include information on qualifying income levels, the amount of credit available, the process for applying and assistance available for applying for the credit. The Virginia EITC is generally equal to 20% of the federal EITC. • For more information go to the agency website at http://www.dss.virginia.gov/community/eitc.cgi. |

2021 Locals with Earned Income Tax Requirements

| Local | Requirement |
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| Philadelphia EITC | Updated 011122 Employers are required to provide employees with a Philadelphia Department of Revenue notice at https://www.phila.gov/media/20220107154648/EITC-notification-flyer-English-2021-official.pdf . The notice provides your workers with information about eligibility and free tax preparation services. You must provide it at the same time you give employees their W-2, 1099, or comparable forms. You can do this electronically or provide a printed copy that can be downloaded at www.phila.gov/revenue/EITC . |
| Philadelphia Income-based Tax Refund | Updated 011122 Employers must send workers who receive a W-2 an Income-based Wage Tax petition, which can be filed with the Philadelphia Department of Revenue for a refund of 1.5% of the Wage Tax withheld. Employers may not reduce employees' Wage Tax withholding. You can download a notice for your employees at https://www.phila.gov/media/20211109085717/Income-based-Wage-Tax-Flyer-November-2021.pdf Note: The agency states that filing online is best and is now available. |