



TREASURY NEWS RELEASE

NEW JERSEY DEPARTMENT OF THE TREASURY

Phil Murphy, Governor
Shella Oliver, Lt. Governor
Elizabeth Maher Muoio, Treasurer



For Immediate Release:

January 29, 2021

Media Contact:

[Jennifer Sciortino](#)

As Filing Season Kicks Off, Treasury Reminds Taxpayers that More Money is Available to More People Than Ever Before Under Expanded Earned Income Tax Credit Program

Roughly 25% of Eligible Taxpayers Routinely Do Not Apply; Statewide Awareness Campaign Underway to Encourage Participation

(TRENTON) – In tandem with national Earned Income Tax Credit Awareness Day, the NJ Department of the Treasury today launched a statewide awareness campaign to encourage every eligible taxpayer to take advantage of New Jersey’s expanded program, which can provide anywhere from several hundred to several thousand dollars in relief to those who are eligible.

“The Earned Income Tax Credit has long been championed as one of the most valuable tools to help lift people out of poverty and for good reason,” **said Governor Phil Murphy**. “This hits at the heart of our commitment to continue building a stronger, fairer, more equitable New Jersey. This year we’re making more money available to more people than ever before and we want to make sure every eligible taxpayer takes advantage of this resource.”

With the 2020 tax filing season, New Jersey’s Earned Income Tax Credit (NJEITC) is increasing to 40 percent of the federal credit, which is expected to put an average of \$882 back into taxpayers’ pockets, as part of the third of three annual increases under a 2018 law signed by Governor Murphy. Additionally, the Governor signed a law alongside last year’s budget that lowered the minimum age eligibility for the EITC from 25 to 21 to capture more young adults, a change that is expected to benefit an additional 60,000 taxpayers.

“Despite the growth in value of the tax credit over the last three years, we estimate that nearly a quarter of eligible taxpayers do not apply for the credit, leaving this hard-earned money on the table,” **said State Treasurer Elizabeth Maher Muoio**. “With the tax filing season officially getting underway, we have created a host of marketing materials to raise awareness about this valuable program. Given the ongoing financial struggles created by COVID, we want to make sure, now more than ever, that every eligible taxpayer receives the credit they’ve earned.”

As part of the ongoing awareness campaign, Treasury will be soliciting support from a broad range of partners, including First Lady Tammy Murphy’s office, which outlined increased EITC awareness as one of many goals in the groundbreaking Nurture NJ Maternal and Infant Health plan released earlier this week. Treasury also hopes to enlist sister agencies across state government, legislative district offices, local and county governments, K-12 and Higher Education partners, the non-profit community, and tax preparers to help spread the word about the expanded EITC benefits. Treasury has created a wide range

of [promotional materials that can be found online](#) for any partners looking to help raise awareness about the NJEITC.

“The unacceptable health disparities experienced by our mothers and babies of color are the result of a complex web of factors,” **said First Lady Tammy Murphy**. “Ensuring that more New Jersey families access the financial relief that the Earned Income Tax Credit provides is a critical recommendation in our Nurture NJ Maternal and Infant Health Strategic Plan. This awareness campaign takes us one step closer to making New Jersey the safest and most equitable place in the nation to deliver and raise a baby.”

To be eligible for the NJEITC, a taxpayer must:

- Meet all qualifications for the federal earned income tax credit, except for the minimum age requirement;
- Be a resident of New Jersey who works or earns income;
- Have a qualifying child or be at least 21 years old and under 65;
- Meet the income limits for their filing status; and
- Have a valid Social Security number (This includes spouses and any qualifying child listed on the tax return).

For more information on eligibility requirements and applying for the New Jersey Earned Income Tax Credit, visit eitc.org.

Federal guidelines enable a wide variety of low and moderate income taxpayers to qualify for both the federal and state credit. Those earning a maximum adjusted gross income of up to \$56,844 may qualify for the credit if their filing status is Married Filing Jointly and they claim three or more children or qualified dependents; and those earning a maximum adjusted gross income of up to \$50,594 may qualify if they are filing as Single, Head of Household or Widowed and claim three or more children or qualified dependents.

Additionally, under the federal Taxpayer Certainty and Disaster Tax Relief Act of 2020, if someone’s earned income was higher in 2019 than in 2020, they can use the 2019 amount to figure their EITC for 2020.

The EITC expansion is part of the Murphy Administration’s goal of addressing income inequality. This year’s budget also includes middle class tax rebates, as well as the exemption of military combat pay from income taxes. These efforts build upon previous tax fairness initiatives established by the Murphy Administration, including:

- [The New Jersey Child and Dependent Care Tax Credit](#);
- Numerous [Military and Veteran Tax Credits and Exemptions](#), including the doubling of the Income Tax Exemption for Veterans to \$6,000; and
- An increase in the maximum [Property Tax deduction](#) from \$10,000 to \$15,000.

Treasury’s Division of Taxation offers 24-7 information and assistance online, including [free tax forms](#) and a [free electronic filing system](#). Additionally, several free tax preparation assistance programs are available for low to moderate income individuals, individuals with disabilities, non-English speaking residents, and adults over 60. For more information, visit the Division of Taxation’s [website](#).