



FACT SHEET: EXAMPLES OF HOW THE ECONOMIC GROWTH ACT OF 2008 WILL BENEFIT AMERICANS

Married with children*:

1) Married couple with two children, wages of \$4,000, no federal income tax liability before child tax credit.

Individual rebate	= \$600
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,200

2) Married couple with two children, no wages, veterans' payments of \$2,000, social security benefits of \$2,000, no federal income tax liability before child tax credit.

Individual rebate	= \$600
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,200

3) Married couple with two children, no wages, no social security benefits, veterans' payments of \$4,000, no federal income tax liability before child tax credit.

Individual rebate	= \$600
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,200

4) Married couple with two children, no wages, no social security benefits, no veterans' payments, AGI = \$25,000, federal income tax liability before child tax credit = \$70.

Individual rebate	= \$600
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,200

5) Married couple with two children, AGI = \$35,000, federal income tax liability before child tax credit = \$1,070.

* All children referenced in the examples are qualifying children for purposes of the child tax credit. In addition, all individuals and children referenced in the examples have valid social security numbers.

Individual rebate	= \$1,070
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,670

6) Married couple with two children, AGI = \$80,000, federal income tax liability before child tax credit exceeds \$1,200.

Individual rebate	= \$1,200
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,800

7) Married couple with two children, AGI = \$160,000, federal income tax liability before child tax credit exceeds \$1,200.

Individual rebate	= \$1,200
Qualifying child credit	= \$600
Phaseout reduction	= <u>(\$500)</u>
TOTAL	= \$1,300

Head of household with children*:

1) Single parent with two children, wages of \$4,000, no federal income tax liability before child tax credit.

Individual rebate	= \$300
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$900

2) Single parent with two children, no wages, veterans' payments of \$2,000, social security benefits of \$2,000, no federal income tax liability before child tax credit.

Individual rebate	= \$300
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$900

3) Single parent with two children, no wages, no social security benefits, veterans' payments of \$4,000, no federal income tax liability before child tax credit.

Individual rebate	= \$300
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$900

4) Single parent with two children, no wages, no social security benefits, no veterans' payments, AGI = \$20,000, federal income tax liability before child tax credit = \$195.

* All children referenced in the examples are qualifying children for purposes of the child tax credit. In addition, all individuals and children referenced in the examples have valid social security numbers.

Individual rebate	= \$300
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$900

5) Single parent with two children, AGI = \$22,000, federal income tax liability before child tax credit = \$395.

Individual rebate	= \$395
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$995

6) Single parent with two children, AGI = \$60,000, federal income tax liability before child tax credit exceeds \$600.

Individual rebate	= \$600
Qualifying child credit	= <u>\$600</u>
TOTAL	= \$1,200

7) Single parent with two children, AGI = \$90,000, federal income tax liability before child tax credit exceeds \$600.

Individual rebate	= \$600
Qualifying child credit	= \$600
Phaseout reduction	= <u>(\$750)</u>
TOTAL	= \$450

Married, no children:

1) Married couple with no children, wages of \$4,000, no federal income tax liability.

Individual rebate	= \$600
-------------------	---------

2) Married couple with no children, no wages, veterans' payments of \$2,000, social security benefits of \$2,000, no federal income tax liability.

Individual rebate	= \$600
-------------------	---------

3) Married couple with no children, no wages, no social security benefits, veterans' payments of \$4,000, no federal income tax liability.

Individual rebate	= \$600
-------------------	---------

* All children referenced in the examples are qualifying children for purposes of the child tax credit. In addition, all individuals and children referenced in the examples have valid social security numbers.

4) Married couple with no children, no wages, no social security benefits, no veterans' payments, AGI = \$20,000, federal income tax liability = \$250.

Individual rebate = \$600

5) Married couple with no children, AGI = \$25,000, federal income tax liability = \$750.

Individual rebate = \$750

6) Married couple with no children, AGI = \$60,000, federal income tax liability exceeds \$1,200.

Individual rebate = \$1,200

7) Married couple with no children, AGI = \$160,000, federal income tax liability exceeds \$1,200.

Individual rebate = \$1,200

Phaseout reduction = (\$500)

TOTAL = \$700

Single, no children:

1) Individual with wages of \$4,000, no federal income tax liability.

Individual rebate = \$300

2) Individual with no wages, veterans' payments of \$2,000, social security benefits of \$2,000, no federal income tax liability.

Individual rebate = \$300

3) Individual with no wages, no social security benefits, veterans' payments of \$4,000, no federal income tax liability.

Individual rebate = \$300

4) Individual with no wages, no social security benefits, no veterans' benefits, AGI = \$10,000, federal income tax liability = \$125.

Individual rebate = \$300

5) Individual with AGI = \$12,000, federal income tax liability = \$325.

* All children referenced in the examples are qualifying children for purposes of the child tax credit. In addition, all individuals and children referenced in the examples have valid social security numbers.

Individual rebate = \$325

6) Individual with AGI = \$35,000, federal income tax liability in excess of \$600.

Individual rebate = \$600

7) Individual with AGI = \$80,000, federal income tax liability in excess of \$600.

Individual rebate	= \$600
Phase out reduction	= <u>(\$250)</u>
TOTAL	= \$350

-30-

* All children referenced in the examples are qualifying children for purposes of the child tax credit. In addition, all individuals and children referenced in the examples have valid social security numbers.