



## Tax Refunds for People with Low Incomes

### Do I have to file taxes?

People who work and earn above certain amounts must file both state and federal income tax returns. Even if you earn below these amounts, you can file to get a refund. Tax forms this year should be filed by April 15, 2026. You file this year using the income information from the past year. So, in 2026 you file a tax return for 2025. If you owe money, you have to pay penalties and interest on any amount you don't pay by April 15<sup>th</sup>.

**Note: The Internal Revenue Service (IRS) is moving away from paper refund checks.** Most people filing 2025 individual tax returns in 2026 won't get paper refund checks. If you have a bank account, you need to put direct deposit information on your tax return. If you don't have a bank account and you can't open one, the IRS offers other options like prepaid debit cards or digital wallets.

Knowing your tax rights can mean money – sometimes a lot of money – to help your family. It is worth your time to check it out. **You may be able to get your taxes done for free.** To find help near you, call United Way at 2-1-1 statewide. Or go to their website <https://www.211unitedway.org/>. You can also find free help near you by visiting [www.irs.gov/vita](http://www.irs.gov/vita).



## Federal Credits

### ◆ Earned Income Tax Credit (EITC)

The EITC is a tax credit for people who work. The amount of the EITC changes every year. Single and married people can get it. You don't have to have children, but the credit is higher if you do. There are rules about which children you can claim. See below. *If you ignore the EITC rules, you may be denied the EITC for up to 10 years.*

You must have worked during 2025. You can't get EITC if you earned money outside the U.S. Your earnings and the "adjusted gross income" on your tax form must be less than:

- \$61,555 if you have 3 or more qualifying children (or \$68,675 if married and filing a joint return) – the maximum credit is \$8,046
- \$57,310 if you have 2 or more qualifying children (or \$64,430 if married and filing a joint return) – the maximum credit is \$7,152

- \$50,434 if you have one qualifying child (or \$57,554 if married and filing a joint return) – the maximum credit is \$4,328
- \$19,104 if you have no qualifying children (or \$26,214 if married and filing a joint return) – the maximum credit is \$649

### Do I meet the EITC rules?

- You must be a U.S. citizen or resident alien for all of 2025.
- You need a valid social security number for **you, your spouse, and children** you claim.
- Your investment income must be less than \$11,950.
- You can't claim the EITC if someone else claims you as a "qualifying child."
- You can claim EITC and file as "married filing separate" if you live with your qualifying child for more than half the year and either:
  - Don't live in the same household as the other spouse for at least the last 6 months of 2025, OR
  - Are legally separated according to their state law. You need a written separation agreement or a decree of separate maintenance. And you don't live in the same household as your spouse at the end of 2025.

### Can I claim a child for the EITC?

You can claim a child for EITC if:

- They are your child by birth or adoption, your grandchild, stepchild, brother, sister, stepbrother, or stepsister. You can also claim the child of any of these relatives. You can claim an eligible foster child.
- The child must have lived with you in the U.S. for more than half of 2025.
- The child must be younger than you and:
  - under age 19 on December 31, 2025, or
  - a full-time student for at least 5 months of the year and under age 24 on December 31, 2025
- The child is permanently and totally disabled at any time during 2025, age doesn't matter.
- If the child can be claimed by a parent as a qualifying child but neither parent claims the child NO ONE ELSE can claim the child unless their Adjusted Gross Income is higher than the AGI of either parent. This situation can happen when extended family lives together.



If a child is a qualifying child for more than one taxpayer and they both claim the child, the parent who lived with the child longest that year gets the credit. If the child lived with both parents for the same length of time, the parent with the higher income gets to claim the credit.

If the child:

- did not live with a parent,
- is a qualifying child of more than one taxpayer, and
- they can't agree who should claim the child,

then the taxpayer with the highest adjusted gross income gets to claim the credit.

See our fact sheet [Can I Claim a Child on My Tax Return?](#) for more information.

### **I have a foster child. Can I claim a foster child?**

You can claim an eligible foster child. An eligible foster child is a child placed with you by an authorized placement agency, and who lived with you at least 6 months and 1 day during the year. They must meet the age rules above.

### **Can I claim the EITC if I don't have a child?**

Yes, if you:

- are at least 25 years old and under 65 years old
- aren't the dependent of another
- aren't the qualifying child of another, and
- lived in the United States for more than half of 2025

### **How do I get the EITC?**

- File a federal tax return (Form 1040).
- If you have a qualifying child, file Form 1040 **AND** Schedule EIC (Form 1040).

**The IRS figures out the EITC for you.** If you qualify for the EITC, you can ask the IRS to figure the amount for you. If you have a qualifying child, you must still fill out the first half of Schedule EIC.



### **Does the EITC affect my MFIP, SSI, food stamps or other benefits?**

Generally, EITC payments don't count as income during the month you get the check or the next month. After 2 months, any refund left may count toward your asset limit for figuring public assistance. If you are getting public assistance, talk to your case worker about the effect of the refund.

## **EITC Pre-Certification**

If you have been denied the EITC in the past, you may have to fill out forms to show you are eligible for EITC now. If the IRS sends you a letter stating you must do this, contact Legal Aid at 1-(877) 696-6529.

### ◆ **Federal Child Tax Credit**

You can get a tax credit up to \$2,200 for each child under age 17 that you claim as a dependent. Fill out the Child Tax Credit worksheet in the instruction booklet and Schedule 8812 (Form 1040). Starting in 2026, you have to have a Social Security Number to claim this credit. You can't use an ITIN anymore. If you file jointly, at least one spouse must have a Social Security Number. The child must also have a Social Security Number. You can claim this credit **and** the EITC. If you ignore the Child Tax Credit rules, you may be denied the Child Tax Credit for up to 10 years. If you do not qualify for the Child Tax Credit, you may qualify for the **Federal Credit for Other Dependents**, which is worth \$500 per dependent.



### ◆ **Federal Child and Dependent Care Credit**

If you have daycare costs for working or looking for work, you can get a tax credit. You can use costs you paid for a dependent child under age 13 or a disabled dependent of any age. To get this credit, you must have the taxpayer ID number of the person or program providing care. File Form 2441.

### ◆ **Federal Education Credits**

If you paid tuition and fees at a university or college for yourself, your spouse, or a dependent, you can get up to \$2,500 in education credits for each eligible student. File Form 8863.

### ◆ **New Federal Deductions**

For the 2026 through 2028 filing years, you may be able to get more federal tax deductions. Some employees getting tips or overtime pay may be able to deduct parts of that income, up to a certain amount. Car loan interest can be deducted for some types of vehicles. And if you are aged 65 and older you may be able to claim an additional \$6,000 deduction on your taxes. All deductions are subject to restrictions and income limits. Talk to a qualified tax preparer if you think you may be eligible for any of these new deductions.

## Minnesota Credits and Refunds

### ◆ **Minnesota Child and Working Family Credits**

If you meet the EITC rules you can get the Minnesota Working Family Credit. If you have a qualifying child, you may also get the Minnesota Child Tax Credit. To claim these credits, fill out your federal tax forms and Minnesota forms M1 (the standard form) and Schedule M1CWFC.

You can choose to get an advance payment of the Minnesota Child Tax Credit for the upcoming year. This advance payment is paid in 3 equal amounts during the year. You have to meet certain requirements, including filing a tax return the following year no matter what your income is. It is important to know that it could affect your SNAP benefits. For more information, visit the Minnesota Department of Revenue's website at [www.revenue.state.mn.us/advance-payments-child-tax-credit](http://www.revenue.state.mn.us/advance-payments-child-tax-credit).

### ◆ **Minnesota Child and Dependent Care Credit**

You can get a state tax credit for the cost of care for a dependent while you worked or looked for work. The dependent can be a child under age 13 or a disabled dependent of any age. If you have a newborn child, you can claim the credit even if you had no dependent care expenses. To get this credit, fill out your federal tax forms and Minnesota forms M1 (the standard form) and Schedule M1CD.

### ◆ **Minnesota Education Credit and Subtraction**

You can get a state tax credit or subtraction for costs for your children's schooling or related things. These cover children in kindergarten through high school. The maximum credit is up to \$1,500 per child. You can use costs like tutors, academic books and materials, fees paid to others for transportation, music lessons, after school programs, and academic summer camps. You can also use costs for computer hardware or educational software (\$200 limit for the credit and you can subtract another \$200). Private school tuition is a subtraction only. To get the credit, fill out your federal tax forms and Minnesota forms M1 (the standard form) and Schedule M1ED. To use the subtraction, fill out Schedule M1M.

### ◆ **Renter's Credit and Homeowner's Credit Refund** (was called Renter's Refund and Property Tax Refund)

This refund is based on your income and the amount of property taxes you pay as a homeowner or renter.

Renters get a Certificate of Rent Paid (CRP) from their landlord. If your landlord won't give you one, see our fact sheet [Renter's Credit and Homeowner's Credit Refund](#).



Renters should fill out a Schedule M1RENT along with your Minnesota Income Tax Return to get the renter's credit. For tax years before 2024, file Form M1PR.

Homeowner refunds are based on the next year's statement of property taxes. The house or apartment must be your main place of residence or homestead. To claim this refund, fill out Form M1PR. This form should be filed by August 15. You can claim this refund up to one year late.

### **If You Have Not Filed, File Now!**

The EITC and other income tax credits can be claimed up to 3 years late. If you did not file a tax return for some or all of the last 3 years, you can file now and claim the EITC and other credits. The forms and credit amounts change each year. Be sure to use the form for the year that you are filing for! For forms call the IRS at the number below or get them off their website, [www.irs.gov](http://www.irs.gov). If you did file your return but did not claim credits you now think you could have used, you can file an amended Form 1040X (federal) or M1X (Minnesota) for any of the past 3 years.

For federal tax questions, call (800) TAX-1040.  
For Minnesota tax questions, call (651) 296-3781.

### **Free Tax Help**

Free tax preparation is available for low income, disabled persons, and senior citizens. To find help near you, call United Way statewide at 2-1-1. You can also find free help near you by visiting [www.irs.gov/vita](http://www.irs.gov/vita).

***This fact sheet applies only to tax year 2025.  
Income tax returns must be filed by April 15<sup>th</sup>, 2026.***

***Fact Sheets are legal information NOT legal advice. See a lawyer for advice.***

*Don't use this fact sheet if it is more than 1 year old. Ask us for updates, a fact sheet list, or alternate formats.*

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