



# Nov 2021 REC Follow-Up

Nov 5<sup>th</sup>, 2021



## Contents

QUESTION 16, page 30: Are payments for UI Benefits included in the Federal EITC calculation?.....	2
QUESTION 50, page 101: UI Benefits paid with and without withholding .....	2
QUESTION 54: Other questions .....	3

QUESTION 16, page 30: Are payments for UI Benefits included in the Federal EITC calculation?

**Revenue Estimating Question: Q16**

**Issue raised:**

Are payments for UI Benefits included in the Federal EITC calculation?

**Division of Taxation Response:**

**Unemployment Compensation**

Unemployment compensation is not included as a source of earned income and would not be included in the calculation of the earned income tax credit. Please keep in mind that for tax year 2020 calculation of EITC, the IRS permitted the use of earned income from either 2019 or 2020; as such, unemployment income in 2020 could be superseded by 2019 for EITC calculation purposes.

IRS website link : [Earned Income and Earned Income Tax Credit \(EITC\) Tables | Internal Revenue Service \(irs.gov\)](#)

QUESTION 50, page 101: UI Benefits paid with and without withholding

**Revenue Estimating Question: Q50**

**Issue raised:**

Once DLT sends the breakdown of UI Benefits paid that had withholding and that did not have withholding, we will provide that information.

**Division of Taxation Response:**

As of November 8, 2021, Taxation has yet to receive a response from DLT concerning UI Benefits paid and the amount of money withheld on those payments.

## QUESTION 54: Other questions

### Revenue Estimating Question: Q54

#### Issue raised:

If \$1.77M payment for the Real Estate Conveyance litigation were made, how would the payment be made and from what GL?

#### Division of Taxation Response:

Based on the financial activity posted to the Real Estate Conveyance Tax legacy Access Database and the Accounts and Controls legacy RISAIL system, it appears in March 2004 the entire payment of \$913,050.00 was posted to the Real Estate Conveyance GL Revenue Account. If this payment were to be refunded, with interest, the refunds would then be posted to the Contra Revenue Real Estate Conveyance GL Account. Real Estate Conveyance Contra Revenue account: 22.10.080.4000972.01.518000.00000.

The total as of 11/1/21 is: \$3,954,520.25 and is delineated as follows:

#### State:

Tax = \$913,050.00 (45% of tax paid)

Interest = \$866,484.18

**Total = \$1,779,534.18**

#### City:

Tax = \$1,115,950.00 (55% of tax paid)

Interest = \$1,059,036.07

**Total = \$2,174,986.07**

**Grand Total = \$1,779,534.18 + \$2,174,986.07 = \$3,954,520.25**