

**REQUIRED TO FILE WORKSHEET**

(Source: 2023 IRS Publication 501, Table 2)

Determine **Required to File** status of a dependent whose gross income is earned income only or unearned income using the amount listed in the table below for each income type applicable to the individual.

Marital Status	Condition	EARNED Income only	UNEARNED Income Only
		Annual Income Limit	Annual Income Limit
Single	Under 65 and not blind	\$13,850	\$1,250
Single	Either 65 or older or blind	\$15,700	\$3,100
Single	65 or older and blind	\$17,550	\$4,950
Married	Under 65 and not blind	\$13,850	\$1,250
Married	Either 65 or older or blind	\$15,350	\$2,750
Married	65 or older and blind	\$16,850	\$4,250

**Use Table Below for Individuals with Both Earned and Unearned Income  
 Annual Income Limits**

Use this worksheet when a dependent has both earned and unearned income. A dependent is generally **Required to File** if the dependent's gross income is more than line 5. The following worksheet is pre-filled for a single individual under age 65 and not blind. If other conditions exist, the minimum and maximum amounts will change. *If only one type of income is received compare gross to the chart above.*

1. Enter dependent's earned income plus \$400 \_\_\_\_\_
2. Minimum amount 1,250
3. Compare lines 1 and 2. Enter the larger amount \_\_\_\_\_
4. Maximum amount 13,850
5. Compare lines 3 and 4. Enter the smaller amount \_\_\_\_\_
6. Enter the dependent's gross income. If line 6 is **more than** line 5, the dependent is **Required to File** an income tax return. \_\_\_\_\_

**(Examples on page A -19-2)**

### Required to File Examples

**Earned Income Only** - William is 16. His mother claims him as a tax dependent. He worked part time and earned \$1,160 per month/ \$13,920 annually. Compared to the chart for earned income only, his gross annual income is more than \$13,850. William is required to file. His income counts in the Medicaid budget.

**Earned Income Only** - Billy is 15. His mother claims him as a dependent. He worked part-time and earned \$1,000 per month/\$12,000 annually. Compared to the chart for earned income only, his gross annual income is less than \$13,850. Billy is not required to file. His income is **not** used in the Medicaid budget.

**Unearned Income Only** - Sarah is 18 and single. Her parents claim her as a dependent. She received taxable interest and dividend income of \$165 per month/\$1,980 annually. Compared to the chart for unearned income only, her gross annual income is more than \$1,250. She is required to file a tax return. Her income counts in the Medicaid budget.

### Combined Earned and Unearned Income

**Part 1:** Joe is 20, single, not blind, and a full-time college student. He does not provide more than half of his own support. His parents claim him as a dependent. He received \$200 taxable interest income and earned \$247.50 per month/\$2,750 annually from a part-time job. His gross income of \$2,950 (\$200 interest plus \$2,750 in wages) is not more than \$3,150, the amount on line 5 of “Required to File” worksheet. Joe is not required to file. His income does **not** count in the Medicaid budget. See **Computation 1** below.

**Part 2:** Same situation as above except Joe had \$600 taxable interest income. His gross income of \$3,350 (\$600 interest plus \$2,750 wages) is more than \$3,150, which is the total of his wages plus \$400 and the amount entered on line 5 of the “Required to File” worksheet. Joe is required to file. His income counts in the Medicaid budget. See **Computation 2** below.

Computation 1			Computation 2		
1.	Earned Income + \$350 = (\$2,750 + \$400)	\$3,150	1.	Earned Income + \$350 = (\$2,750 + \$400)	\$3,150
2.	Minimum Amount	\$1,250	2.	Minimum Amount	\$1,250
3.	Enter Larger of Lines 1 & 2	\$3,150	3.	Enter Larger of Lines 1 & 2	\$3,150
4.	Maximum Amount	\$13,850	4.	Maximum Amount	\$13,850
5.	Enter Smaller of Lines 3 & 4	\$3,150	5.	Enter Smaller of Lines 3 & 4	\$3,150
6.	Dependent’s Gross Income (\$2,750 + \$200)	\$2,950	6.	Dependent’s Gross Income (\$2,750 + \$600)	\$3,350
Joe is <u>not required to file</u> because \$2,950 is less than \$3,150 (Line 6 is less than Line 5). His income does <b>not</b> count in the Medicaid budget for his parents’ and/or siblings’ eligibility.			Joe is <u>required to file</u> because \$3,350 is more than \$3,150 (Line 6 is greater than Line 5). His income counts in the Medicaid budget for his parents’ and/or siblings’ eligibility.		