

**REQUIRED TO FILE WORKSHEET**

(Source: 2025 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<br>Income only | UNEARNED<br>Income Only |
|----------------|-----------------------------|-----------------------|-------------------------|
|                |                             | Annual Income Limit   | Annual Income Limit     |
| Single         | Under 65 and not blind      | \$15,750              | \$1,350                 |
| Single         | Either 65 or older or blind | \$17,750              | \$3,350                 |
| Single         | 65 or older and blind       | \$19,750              | \$5,350                 |
| Married        | Under 65 and not blind      | \$15,750              | \$1,350                 |
| Married        | Either 65 or older or blind | \$17,350              | \$2,950                 |
| Married        | 65 or older and blind       | \$18,950              | \$4,550                 |

**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 \$450 \_\_\_\_\_
2. Minimum amount 1,350
3. Compare lines 1 and 2. Enter the larger amount \_\_\_\_\_
4. Maximum amount 15,750
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 \$1,325 per month/ \$15,900 annually. Compared to the chart for earned income only, his gross annual income is more than \$15,750. 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 \$15,750. 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 \$1,350. 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 \$3,200, 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 \$3,200, which is the total of his wages plus \$450 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 + \$450 =<br>(\$2,750 + \$450)  | \$3,200  | 1.   | Earned Income + \$450 =<br>(\$2,750 + \$450)  | \$3,200  |
| 2.   | Minimum Amount                                | \$1,350  | 2.   | Minimum Amount                                | \$1,350  |
| 3.   | Enter Larger of Lines 1 & 2                   | \$3,200  | 3.   | Enter Larger of Lines 1 & 2                   | \$3,200  |
| 4.   | Maximum Amount                                | \$15,750 | 4.   | Maximum Amount                                | \$15,750 |
| 5.   | Enter Smaller of Lines 3 & 4                  | \$3,200  | 5.   | Enter Smaller of Lines 3 & 4                  | \$3,200  |
| 6.   | Dependent’s Gross Income<br>(\$2,750 + \$200) | \$2,950  | 6.   | Dependent’s Gross Income<br>(\$2,750 + \$600) | \$3,350  |
| Joe is <u>not required to file</u> because \$2,950 is less than \$3,200 (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 \$3,200 (Line 6 is greater than Line 5). His income counts in the Medicaid budget for his parents’ and/or siblings’ eligibility. |   |          |