

**SCHEDULE M**  
**(Form 1040A or 1040)**

**Making Work Pay Credit**

OMB No. 1545-0074

Department of the Treasury  
Internal Revenue Service (99)


▶ **Attach to Form 1040A or 1040.**


▶ **See separate instructions.**

**2010**  
Attachment  
Sequence No. **166**

Name(s) shown on return

Your social security number

 *To take the making work pay credit, you must include your social security number (if filing a joint return, the number of either you or your spouse) on your tax return. A social security number does not include an identification number issued by the IRS. Only the Social Security Administration issues social security numbers.*

 *You cannot take the making work pay credit if you can be claimed as someone else's dependent or if you are a nonresident alien.*

**Important:** Check the "No" box on line 1a and see the instructions if:

- (a) You have a net loss from a business,
- (b) You received a taxable scholarship or fellowship grant not reported on a Form W-2,
- (c) Your wages include pay for work performed while an inmate in a penal institution,
- (d) You received a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan, or
- (e) You are filing Form 2555 or 2555-EZ.

**1a** Do you (and your spouse if filing jointly) have 2010 wages of more than \$6,451 (\$12,903 if married filing jointly)?  
 **Yes.** Skip lines 1a through 3. Enter \$400 (\$800 if married filing jointly) on line 4 and go to line 5.  
 **No.** Enter your earned income (see instructions) . . . . . **1a**

**b** Nontaxable combat pay included on line 1a (see instructions) . . . . . **1b**

**2** Multiply line 1a by 6.2% (.062) . . . . . **2**

**3** Enter \$400 (\$800 if married filing jointly) . . . . . **3**

**4** Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a) . . . . . **4**

**5** Enter the amount from Form 1040, line 38\*, or Form 1040A, line 22 . . . . . **5**

**6** Enter \$75,000 (\$150,000 if married filing jointly) . . . . . **6**

**7** Is the amount on line 5 more than the amount on line 6?  
 **No.** Skip line 8. Enter the amount from line 4 on line 9 below.  
 **Yes.** Subtract line 6 from line 5 . . . . . **7**

**8** Multiply line 7 by 2% (.02) . . . . . **8**

**9** Subtract line 8 from line 4. If zero or less, enter -0- . . . . . **9**

**10** Did you (or your spouse, if filing jointly) receive an economic recovery payment in **2010**? You may have received this payment in 2010 if you did not receive an economic recovery payment in 2009 but you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits in November 2008, December 2008, or January 2009 (see instructions).  
 **No.** Enter -0- on line 10 and go to line 11.  
 **Yes.** Enter the total of the payments you (and your spouse, if filing jointly) received in **2010**. Do not enter more than \$250 (\$500 if married filing jointly) . . . . . **10**

**11** **Making work pay credit.** Subtract line 10 from line 9. If zero or less, enter -0-. Enter the result here and on Form 1040, line 63; or Form 1040A, line 40 . . . . . **11**

\*If you are filing Form 2555, 2555-EZ, or 4563 or you are excluding income from Puerto Rico, see instructions.