



CALEITC 101:

**EXPANDED STATE TAX CREDITS PUTS CASH INTO THE POCKETS OF CALIFORNIA'S
TRANSITION AGE YOUTH**

February 9, 2021 10:00-11:30 a.m.

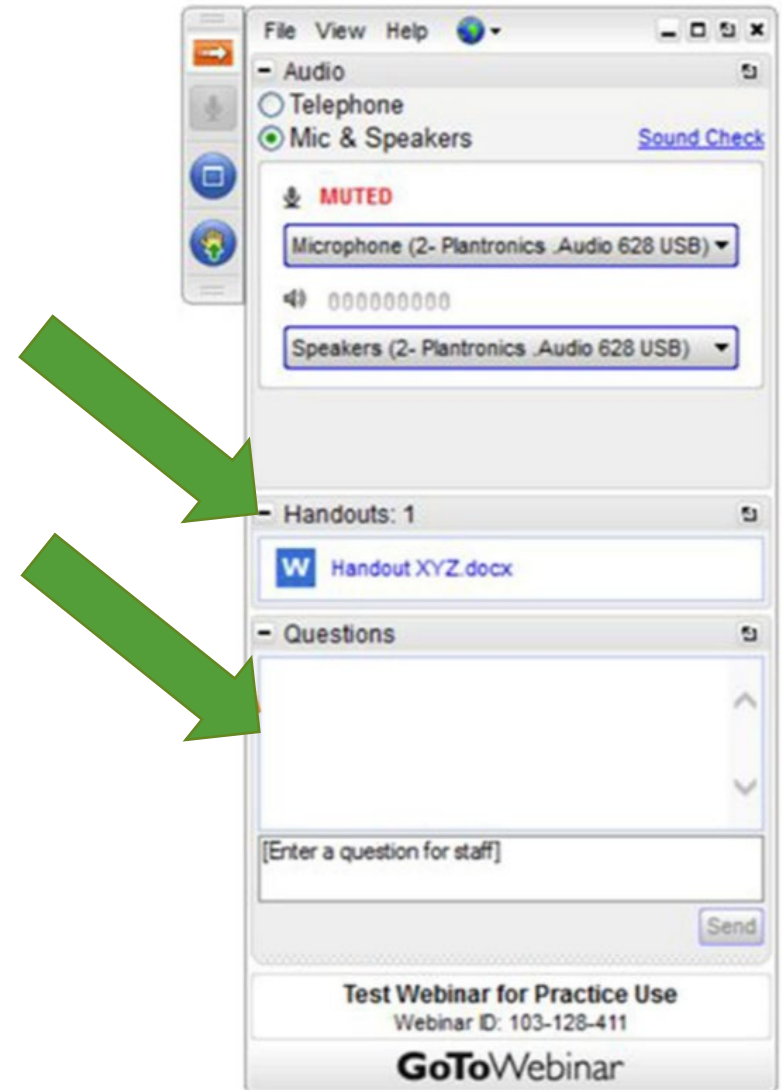
Information to Participate

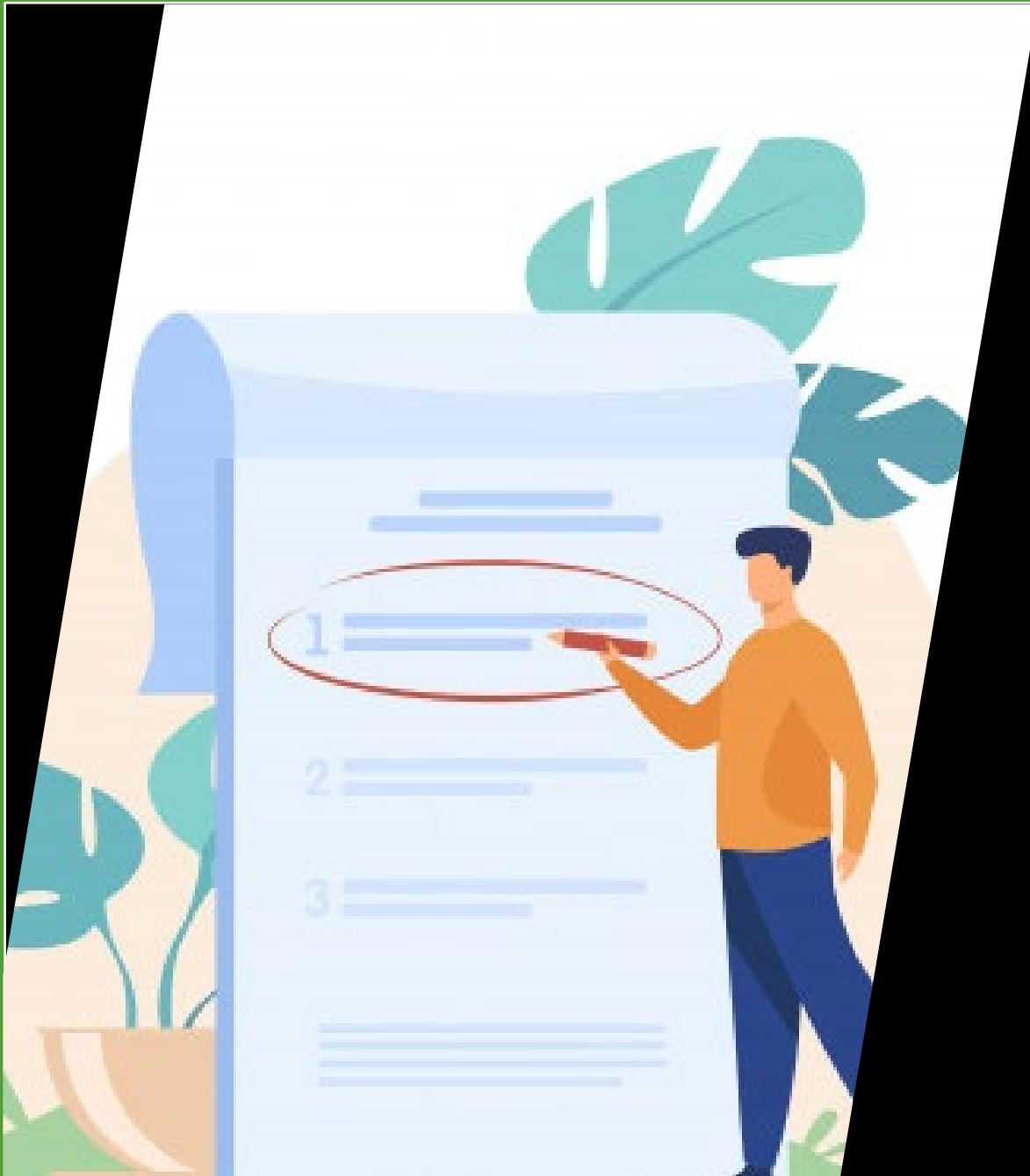
Today's slides can be downloaded in the **"handouts"** section of your control panel

To submit questions, click on the **"Questions"** panel, type your question, and click "send"

Presentation materials and audio will also be posted at:

<https://www.jbaforyouth.org/trainings-2/>





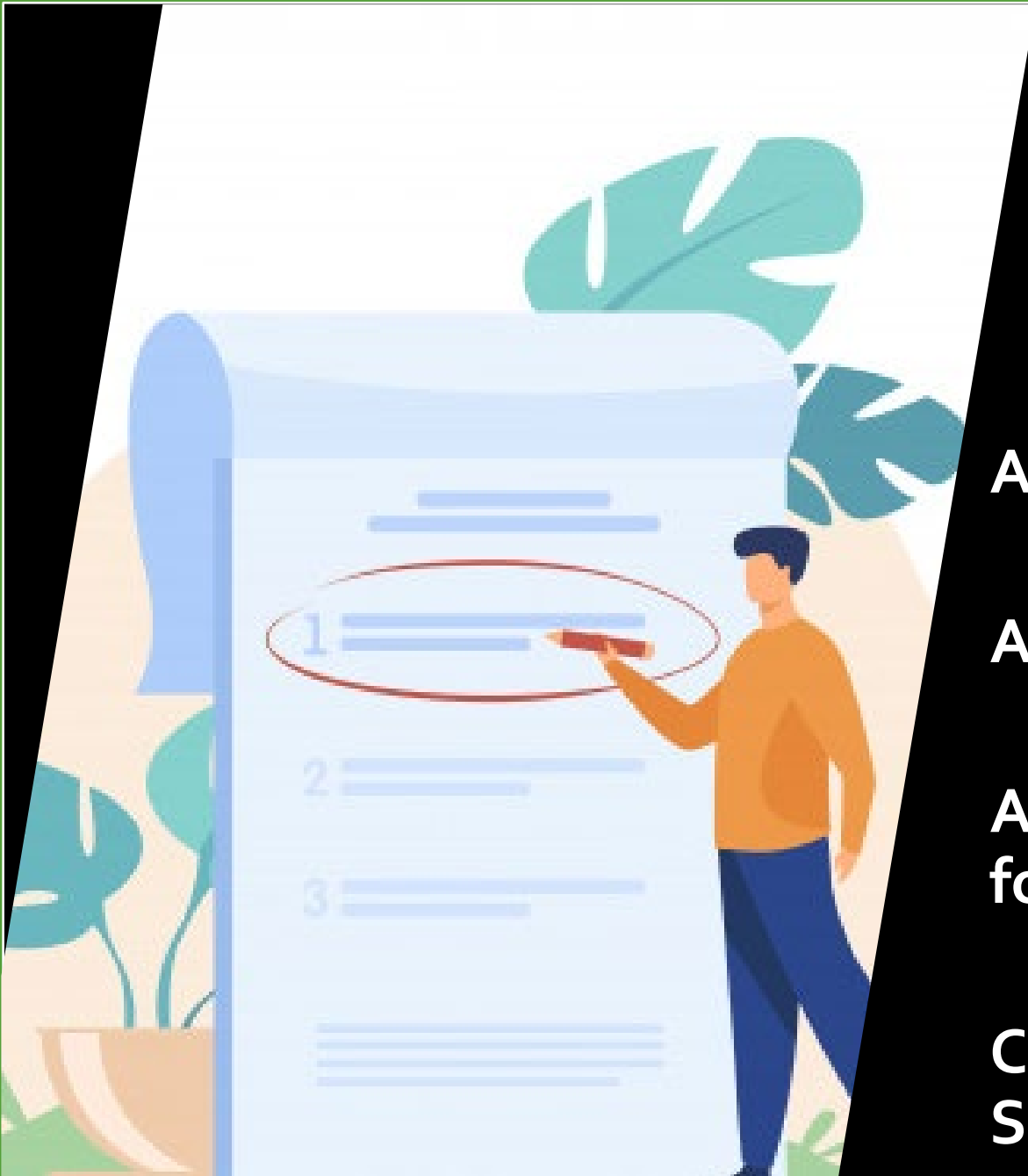
AGENDA

Background on the EITC

Ways to Help TAY Prepare & File

TAY-Specific Situations & Scenarios

Question & Answer Session



PANELISTS

Alexis Barries, Advocate

Andrew LePage, CA Franchise Tax Board

**Anna Johnson, John Burton Advocates
for Youth**

**Carla Macias, Santa Clara County Social
Services Agency**

We need YOU to support California's 3.8 million TAY

College students

Foster Youth

Young parents

Homeless Youth



Covid-19 Impact on Earnings

- Job loss and reduced hours
- Internet and technology expenses
- Grocery and PPE expenses
- Housing needs
- Difficulties accessing childcare
- Difficulties accessing public benefits and unemployment
- Increased utilities and home costs
- Stimulus check barriers



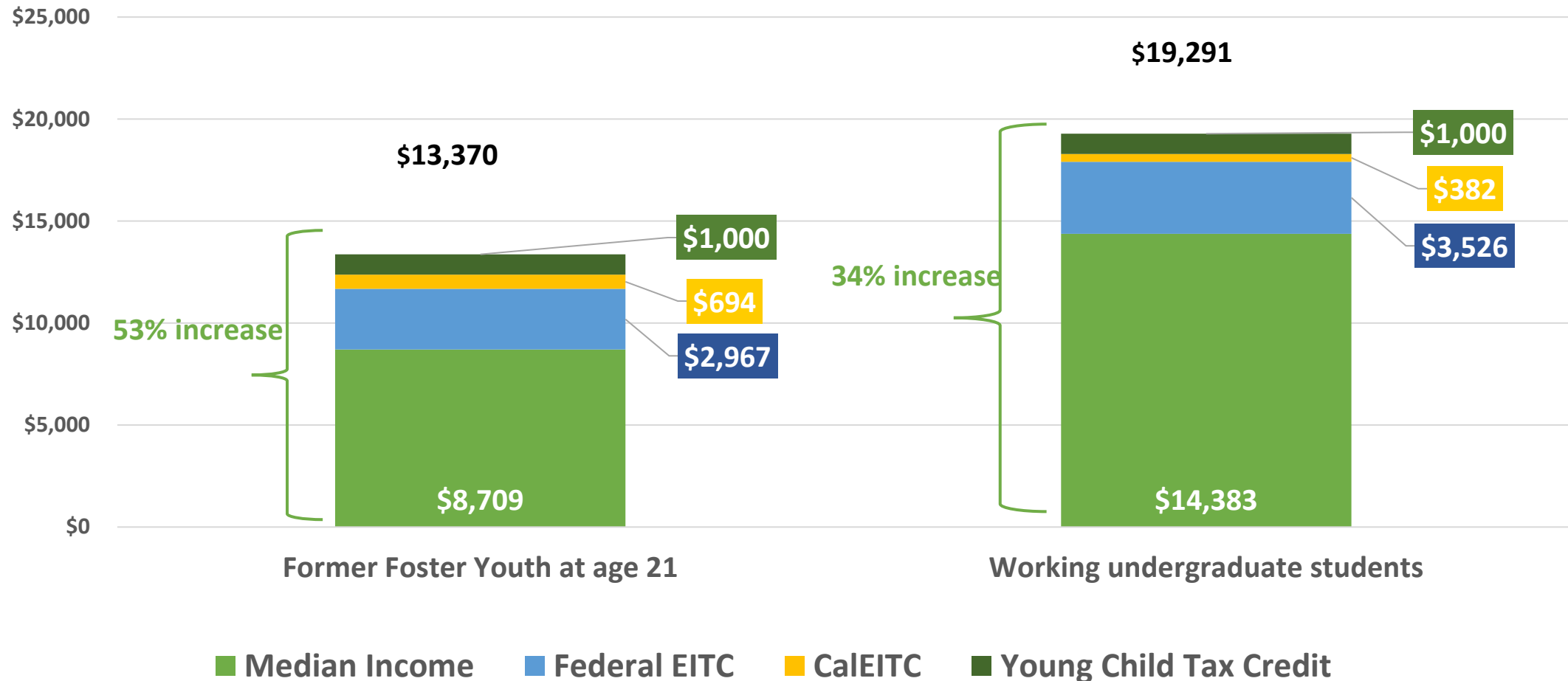
California Earned Income Tax Credit

What's New?

- **Before 2018**, without a qualifying child, had to be ages 25-65
- Beginning in **tax year 2018**, eligibility lowered to 18 years old
- Beginning in **tax year 2019**, the Young Child Tax Credit gives \$1,000 to qualifying parents with a child younger than age 6
- Beginning in **tax year 2020**, tax filers who use an Individual Taxpayer Identification Number (ITIN) qualify



Filing taxes can significantly increase the income of TAY, particularly young parents





ALEXIS BARRIES, ADVOCATE

California Earned Income Tax Credit Webinar



Andrew LePage
Public Affairs
Franchise Tax Board
Feb. 9, 2021

Why Should TAY Care About Taxes?



- State and federal tax returns due by April 15, 2021.
- Who files? Anyone with income can file.
- Key: Even if you don't have a filing requirement, consider filing your state/federal returns to:
 - Collect any refund you have coming.
 - Claim valuable state and federal tax credits.

What are CalEITC, YCTC & Federal EITC?



- All 3 are “refundable” tax credits that help working families.
 - They lower the tax owed or provide cash back.
- CalEITC and YCTC claimed when filing a state return.
- Federal EITC claimed when filing a federal return.
- Combined, the credits can be worth thousands of dollars.
- Money can be used for anything.

CalEITC Eligibility Basics

You may be eligible if you:

- Earned less than \$30,000
- Are at least 18 years old or have a child.
- Have taxable income from an employer or self employment.



CalEITC Eligibility Basics



You may be eligible if you:

- Have a Social Security Number or **Individual Taxpayer Identification Number (ITIN)**.
- Lived in CA more than half of the year (184+ days).
- Don't use the "married/RDP filing separate" filing status.

CalEITC and YCTC

Background



- 2015: CalEITC created as supplement to federal EITC.
- CalEITC's first four years: Total of \$1.1 billion issued.
- Last year > \$1.1 billion awarded for CalEITC & YCTC combined.

CalEITC Full-Year 2020 Data

CalEITC and YCTC Statewide as of Dec. 31, 2020



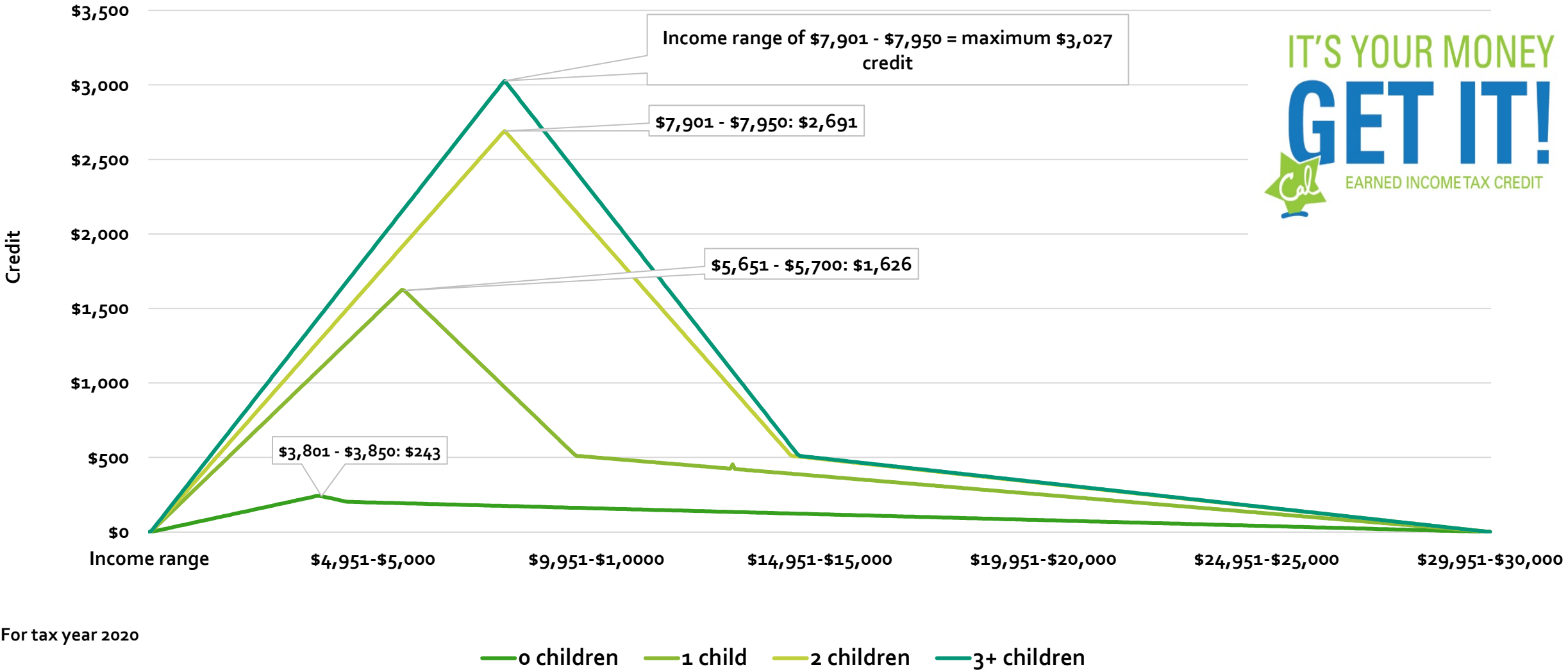
- **3,854,123** California Earned Income Tax Credits (CalEITC) were issued, totaling **\$737,341,037**, which is up from **2,091,338** credits issued for **\$396,685,513** at this time last year.
- **428,857** Young Child Tax Credits (YCTC) were issued, totaling **\$389,173,109**.
- Between CalEITC and YCTC, a total of **\$1,126,514,146** was issued.

TY 2020 CalEITC/Federal EITC Limits



Number of qualifying children	California		IRS Max		IRS EITC (up to)
	max income	CalEITC (up to)	income (single, head of hshld, widowed)	income (married filing jointly)	
None	\$30,000	\$243	\$15,820	\$21,710	\$538
1	\$30,000	\$1,626	\$41,756	\$47,646	\$3,584
2	\$30,000	\$2,691	\$47,440	\$53,330	\$5,920
3 or more	\$30,000	\$3,027	\$50,594	\$56,844	\$6,660

CaEITC Credit Based on Income & # of Children



For tax year 2020

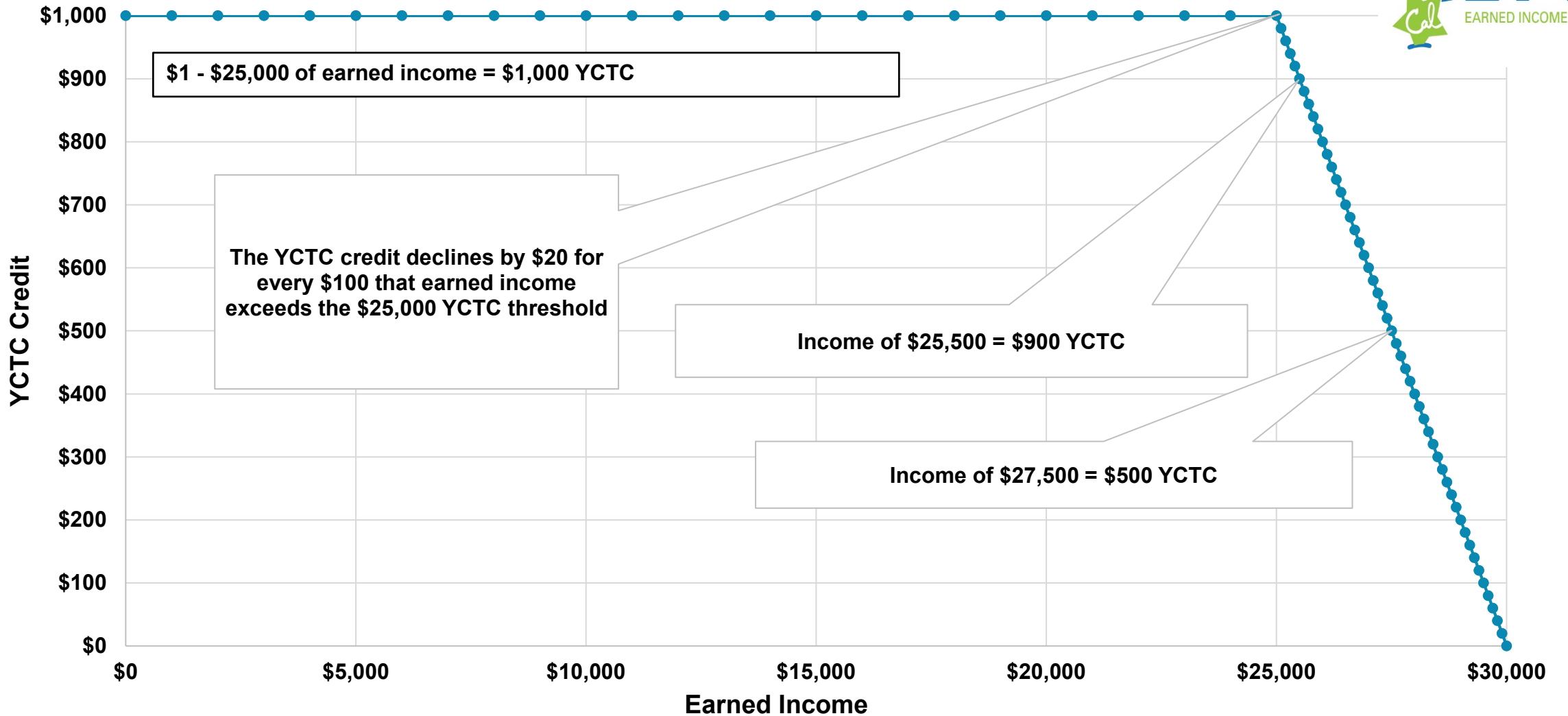
Young Child Tax Credit

The Basics



- Available to families making less than \$30,000.
- Individual or family that qualifies for CalEITC and has at least one child under age 6 eligible for YCTC.
- Up to \$1,000 per filer. (2020 average award about \$910)
- Like CalEITC, YCTC phases out as income rises.

Young Child Tax Credit Phase Out

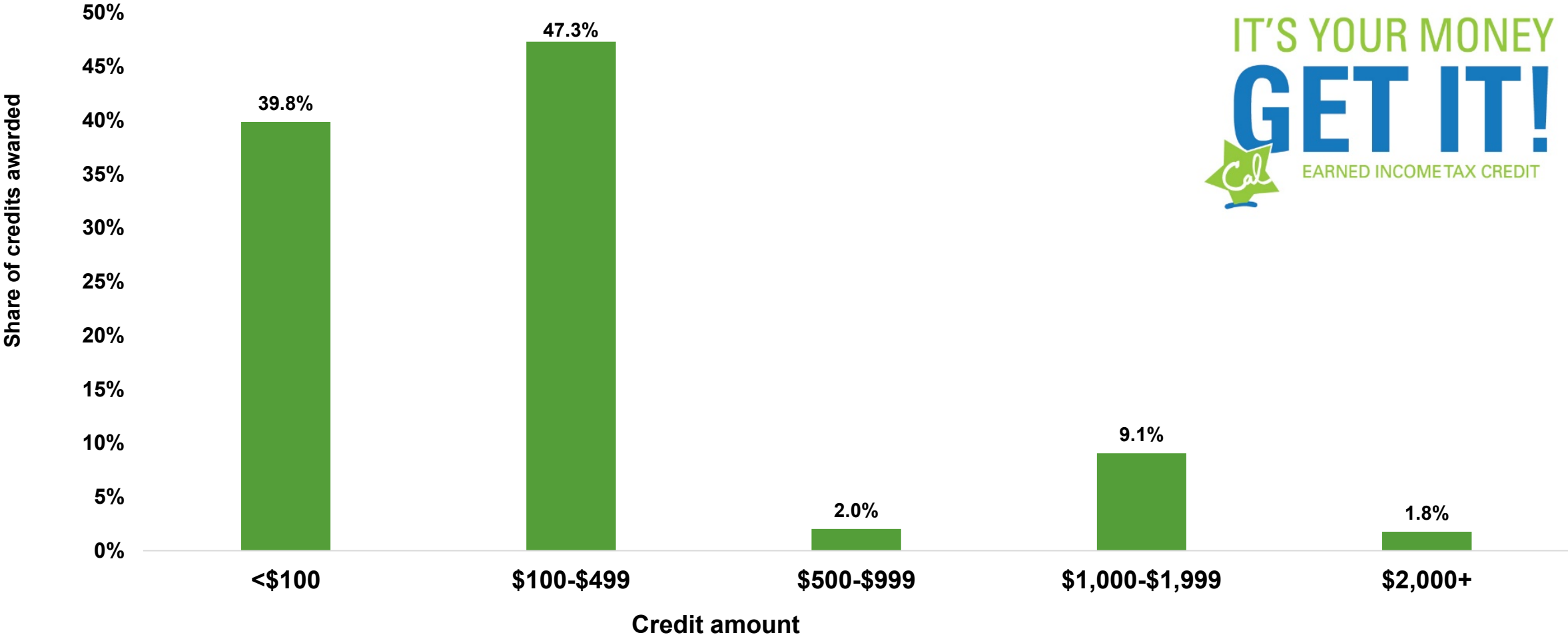


Federal EITC



- For TY 2020, people may qualify for federal EITC if their total income less than \$56,844.
- IRS reports on its EITC website (irs.gov/eitc) that refunds by law are not issued prior to mid-February. Federal tax filing season begins Feb. 12.
- Note: FTB does not hold CalEITC refunds; rather, it issues them within the same timeframes as any other refund – up to two weeks for direct deposit and up to two months for paper checks (assuming an e-filed return). Refunds for paper-filed returns take longer.

Share of CalEITC+YCTC Combined Credits (Counts) Issued in 2020 By Credit Amount



What's New for CalEITC in 2021

Governor Signs AB 1876



- Beginning with tax year 2020, CalEITC eligibility extends to all taxpayers with an Individual Taxpayer Identification Number, or ITIN.
- A SSN can now be used to qualify for CalEITC regardless of whether it was issued for employment or receiving federally funded benefits.

Qualifying as an ITIN Filer



- CalEITC qualification process is the same for ITIN filers.
- ITIN filers don't need to provide supporting identification information to file returns and claim CalEITC/YCTC.
- As with SSN filers, FTB may sometimes request documentation from ITIN filers to verify identity and eligibility.

Taxpayer Information is Confidential



- FTB does not share information from tax returns with any federal or state agency for the purpose of determining someone's immigration status.

The Good News About Most ITIN Filers



- Vast majority filed their taxes last year using E-file.
- The tax preparation software automatically ensures filers who are eligible for CalEITC /YCTC receive it.
- A challenge: Ensuring those who qualify for CalEITC/YCTC are aware of the need to file their tax return, even if technically they are not required to (no filing requirement based on income).

CA 2020 ITIN Returns by Filing Method

Filing Method	Number of Returns	% of all Returns
E-File	549,781	90.7%
Paper	56,182	9.3%
All	605,963	100.0%

Source: FTB data through Oct. 3, 2020.

CA 2020 ITIN returns filed by preparer type

Preparer Type	Number of 2020 Returns	% of all Returns
Self Prepared	67,289	11.1%
VITA	7,374	1.2%
Paid Preparer	531,300	87.7%
All	605,963	100.0%

Source: FTB data through Oct. 3, 2020.

CalEITC & YCTC



- FTB estimates 215,000 ITIN returns will claim CalEITC and YCTC for tax year 2020, totaling \$120 million.
 - Includes an estimated 45,000 returns claiming \$45 million in YCTC
- These ITIN returns claiming CalEITC represent 615,000 individuals, including 300,00 qualifying children.

CalEITC & YCTC



- FTB estimates 4.07 million taxpayers will receive \$810 million in CalEITC for tax year 2020.
 - Estimated 475,000 filers will also receive YCTC, totaling \$430 million.
 - Estimated total of \$1.24 billion will be awarded for both credits combined.

What do taxpayers and preparers need to know?



- CalEITC can be claimed using W-2 income and self-employment income (includes cash income + 1099s)
- To help clients maximize their refund, ask them to keep related documentation and be sure to share it with FTB upon request.

What do taxpayers and preparers need to know?



- Taxpayers using self-employment to claim CalEITC may receive a letter from FTB requesting more information to verify income and/or losses – Please respond promptly!
- This is part of larger anti-fraud effort to make sure the correct refunds go to the correct taxpayers.

What do taxpayers and preparers need to know?



- If FTB requests more info, it will come on the “FTB 4502: Additional Documentation Required — Refund Pending”
- Letter will be on FTB letterhead:



STATE OF CALIFORNIA
FILING COMPLIANCE BUREAU MS F151
FRANCHISE TAX BOARD
PO BOX 1468
SACRAMENTO CA 95812-1468

Additional Documentation Required — Refund Pending

What do taxpayers and preparers need to know?



- If letter arrives, FTB is simply trying to verify that the taxpayer is indeed qualified to receive the credit.
- FTB will send any letter to the taxpayer within 30 days of the return being filed.
- Response needed before CalEITC and YCTC can be issued.

What do taxpayers and preparers need to know?




- FTB may ask for copies of documents, so be sure to keep them.
- If earned income includes wages, FTB may ask for copies of W-2 statements, last two paycheck stubs.
- If the taxpayer has claimed qualifying children, FTB will likely ask for SSNs or ITINs and other info regarding these individuals. This way, FTB can validate the entire claim.

Resources

How You Can Help

- Download CalEITC/YCTC brochures and posters.
- Brochures: English, Spanish, Chinese, Korean, Vietnamese, Hmong and Russian.
- Posters: English and Spanish.
- ftb.ca.gov/caleitc

Check out the California Earned Income Tax Credit and Young Child Tax Credit.



New
ITIN filers now eligible!

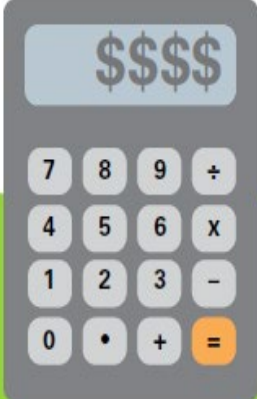
How much money can I earn and still qualify for the California Earned Income Tax Credit and Young Child Tax Credit?

What was your earned income for 2020?

- \$30,000 or less: You may qualify for CalEITC
- More than \$30,000: Not eligible for CalEITC or YCTC, but possibly federal EITC

Did you make less than \$30,000 and also have a child under the age of six?

- YES: You may also qualify for YCTC
- NO: Not eligible for YCTC, but possibly federal EITC



Use our calculator to find out how much you could get back on your tax returns thanks to CalEITC, YCTC, and the federal EITC.
ftb.ca.gov/caleitc

IT'S YOUR MONEY
GET IT!
EARNED INCOME TAX CREDIT

CalEITC

[< Newsroom](#)[CalEITC](#)[EITC calculator](#)[Eligibility and credit information](#)[Outreach materials](#)

Related Content

- [Lea esta página en español](#)
- [CalEITC Flyer \(FTB 854\)](#)
 - [English](#)
 - [Español \(Spanish\)](#)
 - [中文 \(Chinese\)](#)
 - [Tiếng Việt \(Vietnamese\)](#)
 - [한국어 \(Korean\)](#)
 - [русский \(Russian\)](#)
 - [Hmoob \(Hmong\)](#)



Put money back in your pocket.

You may qualify for cash-back tax credits and a bigger refund when you file your taxes. File early to put money in your pocket sooner!

New ITIN filers now eligible for CalEITC!

What is it?

The expanded California Earned Income Tax Credit (CalEITC), the Young Child Tax Credit, and the federal EITC can combine to put hundreds or even thousands of extra dollars in your pocket. That's money you can use for rent, school tuition, utilities, groceries, and other important expenses.

Find out how much you could get back

Use the EITC calculator for an estimate.
(Available in 6 languages.)

[Estimate my EITC](#)

ftb.ca.gov/caleitc

File your taxes for free and get your money

- [Free tax help \(VITA\)](#)
- [CalFile](#)
- [More online options](#)

Outreach materials

California Earned Income Tax Credit

[← CalEITC](#)

[EITC calculator](#)

[Eligibility and credit information](#)

[Outreach materials](#)

Resources available to help individuals learn about CalEITC.

Brochures and flyers

CalEITC Flat flyer (FTB 854)

Accessible version: | [English](#) | [Spanish](#) | [Chinese](#) | [Vietnamese](#) | [Korean](#) | [Russian](#) | [Hmong](#)

Print version: | [English](#) | [Spanish](#) | [Chinese](#) | [Vietnamese](#) | [Korean](#) | [Russian](#) | [Hmong](#)

CalEITC Trifold Brochure (FTB 855)

Accessible version: | [English](#) | [Spanish](#) | [Chinese](#) | [Vietnamese](#) | [Korean](#) | [Russian](#) | [Hmong](#)

Print version: | [English](#) | [Spanish](#) | [Chinese](#) | [Vietnamese](#) | [Korean](#) | [Russian](#) | [Hmong](#)

CalEITC Poster/Flyer (FTB 856)

- [English/Spanish – 8.5” x 11” - Print version](#)
- [English/Spanish – 8.5” x 11” - Accessible version](#)

Posters

CalEITC Poster (FTB 856)

- [English/Spanish – 8.5” x 11”](#)
- [English – 11” x 17”](#)
- [Spanish – 11” x 17”](#)

Social media

CalEITC Social media toolkit

- [English](#) (ZIP file)
- [Spanish](#) (ZIP file)

CalEITC Social media posts, multiple languages

- [Chinese](#)
- [Vietnamese](#)
- [Korean](#)
- [Russian](#)
- [Hmong](#)

Where can TAY get help filing returns?

- The IRS's Volunteer Income Tax Assistance (VITA) program provides help in communities around the state.
- Free tax return preparation is available to those who:
 - Earn \$57,000 or less (a general, national guideline).
 - Have disabilities
 - Speak limited English
- Visit: irs.gov/vita or ftb.ca.gov and search for "VITA"
- Both sites have VITA locator tools to find a site.

Get free tax help

VITA and TCE program

< Help

Get free tax help

Become a VITA volunteer

Resources and training

VITA knowledge check

Related content

- [Lea esta página en español](#)
- [VITA training videos \(YouTube\)](#)



Because of COVID-19, the majority of VITA sites are currently unavailable. More VITA sites may open in the near future. Please use the locator below for the most current site information.

Overview

You may be able to get help with your taxes for free.

This includes:

- Help with filling out forms
- What to do if you owe money
- If you qualify for the [EITC tax credit](#)

If you live in California you can get free tax help from these programs:

- **Volunteer Income Tax Assistance (VITA)**, if you:
 - **Make \$57,000 or less**
 - **Have disabilities, or**
 - **Speak limited English**
 - **Are active duty or retired military personnel, or a dependent**
- **Tax Counseling for the Elderly (TCE)**, if you're at least 60 years old

Get free tax help at a location near you

Use our VITA/TCE locator to find in-person help with your tax return.

Find location

What to bring with you

Before you go to your local tax help site, make sure you bring the [correct papers and information](#).

File online

File your California tax return electronically (e-file)

< Ways to file

File online

CalFile

Help with filing online

On this page

- [Free options](#)
- [Other options \(may charge a fee\)](#)
- [Find an authorized e-file provider](#)
- [Free e-file help](#)

Filing online (e-file) is a secure, accurate, fast, and easy option to file your tax return.

Free options

CalFile

File directly with us – for free.

[Visit CalFile](#)

- [CreditKarma.com/Tax](#)
- [OLT.com](#)
- [udstax.com](#)
- [IRS Federal Free File](#)

Other options (may charge a fee)

- [1040now.net](#)
- [esmarttax.com](#)
- [express1040.com](#)
- [eztaxreturn.com](#)
- [fileyourtaxes.com](#)
- [free1040taxreturn.com](#)
- [freetaxusa.com](#)
- [libertytax.com](#)
- [olt.com](#)
- [taxact.com](#)
- [taxhawk.com](#)
- [taxslayer.com](#)
- [turbotax.com](#)
- [udstax.com](#)

Find an authorized e-file provider

[Find an authorized e-file provider](#) near you.

Free e-file help

If you have limited income and/or are over the age of 60, you may get free help e-filing your tax return through the [Voluntary Income Tax Assistance \(VITA\)](#) and [Tax Counseling for the Elderly \(TCE\)](#) program.

New State Health Care Mandate

- Subsidies available through Covered California, and are based on household size, age, income and region.
- Estimated 1.2 million uninsured people eligible for state financial help to pay for premiums.
- Info on coverage options and financial help can be found at CoveredCA.com.

Health care mandate

Minimum Essential Coverage Individual Mandate

ftb.ca.gov



The State of California is working to reduce the number of uninsured individuals and families with the adoption of a new state individual health care mandate.

Personal

Information on the new health care mandate for you and your family.

Personal

Tax professionals

Information on outreach, subsidies, penalties, reporting, and coverage.

Tax professionals

Penalty estimator

Estimate what it may cost you not to have health care coverage.

Penalty Estimator

Insurance providers and employers

Details on the new reporting mandate and how to report health insurance information.

Report health insurance information

News

[Information reporting requirements - Technical stakeholder's meeting](#)

February 26, 2020 Article

We are hosting a technical stakeholder's meeting at Franchise Tax Board to discuss the electronic reporting requirements related to the Minimum Essential Coverage Individual Mandate, also known as the Health Care Mandate.

[Get health care coverage now to avoid state penalty later](#)

December 02, 2019 News Release

The Franchise Tax Board (FTB) urges Californians to get health care coverage now and keep it through 2020 to avoid a penalty when filing state income tax returns in 2021.

< Newsroom

Health care mandate

Related Content

— [Lea esta página en español](#)



Get Started Health Dental Vision Support

Search Sign In

Shop and Compare

CoveredCA.co

Open enrollment is here. Apply now.

The enrollment period ends Jan. 31.

Apply

Get Started



Medi-Cal



COVERED CALIFORNIA

Can I get financial help?

You may be able to get help with your monthly payments, or if eligible, receive free or low-cost coverage through Medi-Cal.



Continue →

New State Health Care Mandate

- Under state mandate, those failing to have qualifying coverage may face a penalty starting on tax year 2020 state income tax return when it is filed in 2021.
- FTB has a penalty estimator
- Exemptions to the penalty are available, for example:
 - Income below tax filing threshold.
 - Health coverage considered unaffordable (exceeded 8.24% of household income for tax year 2020).
 - Short coverage gap of three consecutive months or less.

New State Health Care Mandate

- Sample penalty amounts for no coverage:
 - Individual earning less than \$46,050: \$750.
 - Married couple earning less than \$92,100: \$1,500.
 - Family of four with two dependent children earning less than \$142K: \$2,250.
- Penalty will be higher of either:
 - A flat amount, based on household size: \$750 per adult and \$375 per child.
 - A percentage of the household income.

New State Health Care Mandate

- People who already have coverage should be in good shape. Such coverage includes:
 - Employer-sponsored plans.
 - Coverage purchased through Covered California or directly from insurers.
 - Medicare.
 - Most Medicaid plans.

Questions?



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FTB Public Affairs

916-296-2015

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County of Santa Clara
Social Services Agency



www.sccgov.org/ssa

CARLA MACIAS
SANTA CLARA COUNTY

Santa Clara County Pilot



1. Support for filing taxes has been a consistent ask of TAY and peer staff at our youth center, the Hub
2. Last January, JBAY conducted a CalEITC training for TAY supporters
3. Last March, the Hub was a VITA sub site
4. Last Fall, JBAY approached Santa Clara County for the pilot

Santa Clara County CalEITC Pilot Goals

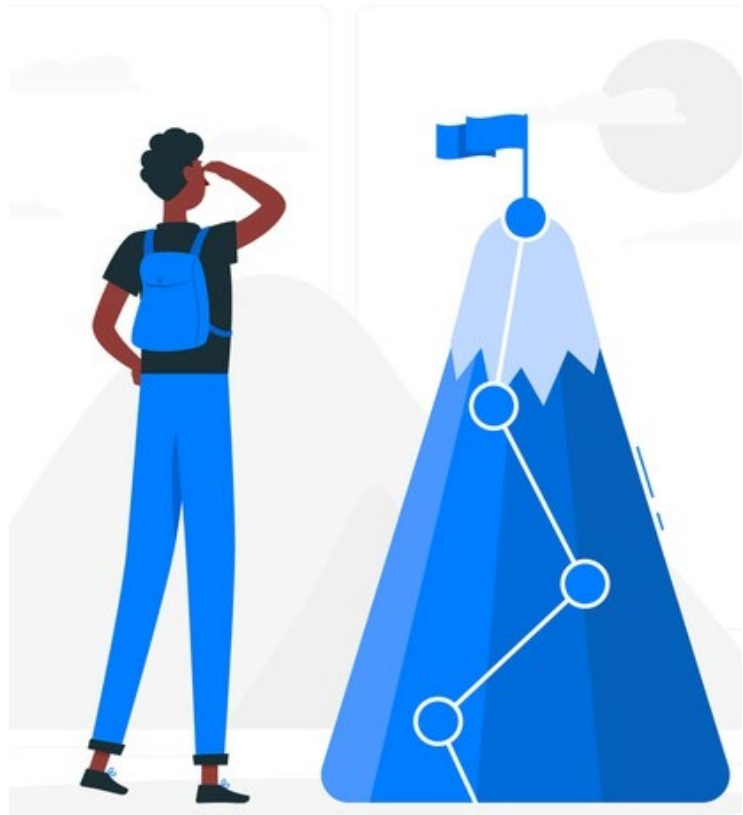


To **disseminate outreach and educational materials** that support TAY in completing their taxes free of charge.

To increase the **total annual income** of TAY in Santa Clara county.

To improve VITA tax service **volunteer relationships** with TAY providers and youth centers.

Santa Clara County CalEITC Pilot Goals

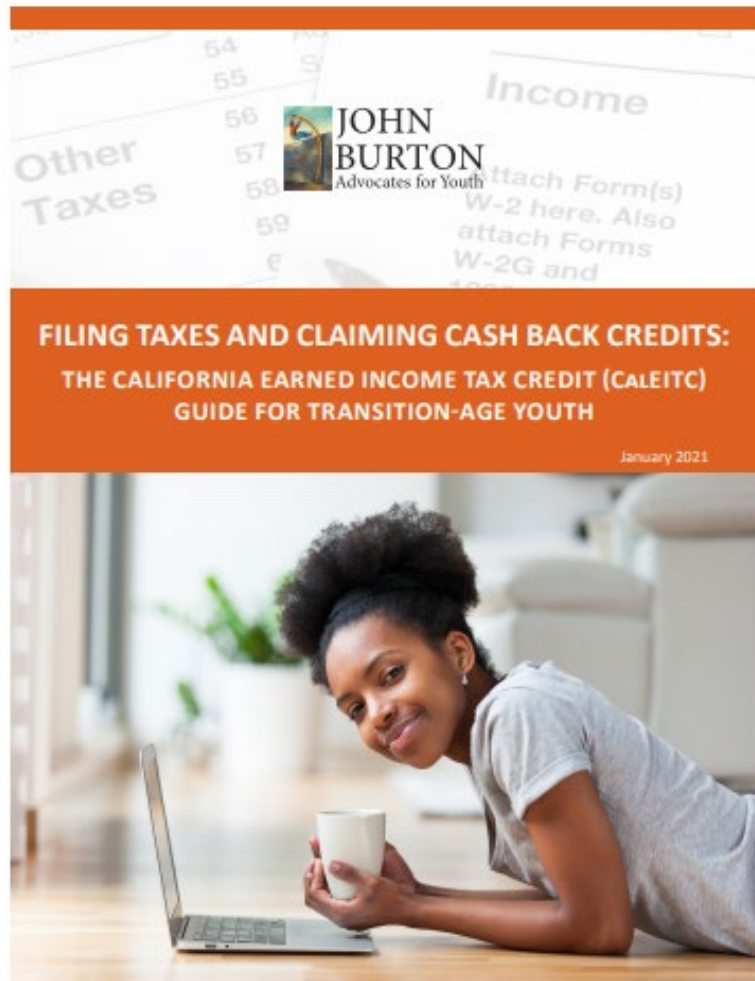


To **train staff and volunteers on the tax filing process** so adult supporters of TAY can assist them in a trauma-informed manner.

To **promote the establishment of county policies** that will promote tax completion among current and former foster youth.

To **document the efforts and outcomes** of the pilot in order to advance policy recommendations that will support TAY statewide.

Santa Clara County CalEITC Pilot



Supports TAY (18-24) with critical financial skills and boosts their total income during the pandemic

Supporters and TAY will learn about

- CalEITC & other tax credits
- Filing taxes with free support
- The documentation needed to file
- Stimulus check, FAFSA applications, and other public benefits
- Helpful resources designed for TAY

Get free materials and get connected to reliable information: <https://www.jbaforyouth.org/cal-eitc-guide/>

Lessons Learned



- ✓ Plan ahead
- ✓ Clear expectations
- ✓ Address tech barriers
- ✓ Determine your capacity

Santa Clara County CalEITC Pilot

Project Partners



STATE OF CALIFORNIA
Franchise Tax Board



Andrew LePage, California Franchise Tax Board

Anna Johnson, John Burton Advocates for Youth

Carla Macias, Santa Clara County Social Services

Gezche Graves, United Way Bay Area

Elizabeth Wells, Legal Advocates for Children & Youth

Jessica Nuñez, Bill Wilson Center

Josie Martinez, Internal Revenue Service

Sabrina Martire, Court Appointed Special Advocates

✦ Our Fabulous VITA Volunteers ✦



WAYS TO HELP TAY CLAIM CALEITC

1: Review & Circulate All County Information Notices on the CalEITC



CDSS

WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

November 5, 2018

ALL COUNTY INFORMATION NOTICE (ACIN) NO. I-75-18

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY WELFARE-TO-WORK COORDINATORS
ALL CALWORKS PROGRAM SPECIALISTS
ALL CALFRESH PROGRAM SPECIALISTS
ALL REFUGEE PROGRAM COORDINATORS
ALL COUNTY CHILD CARE COORDINATORS
ALL TRIBAL TANF ADMINISTRATORS
ALL CONSORTIA PROJECT MANAGERS

SUBJECT: 2018 EARNED INCOME TAX CREDIT (EITC) OUTREACH
PUBLICATIONS

All County Information Notice 2018:

http://www.cdss.ca.gov/Portals/9/ACIN/2018/I-75_18.pdf?ver=2018-11-21-141643-317

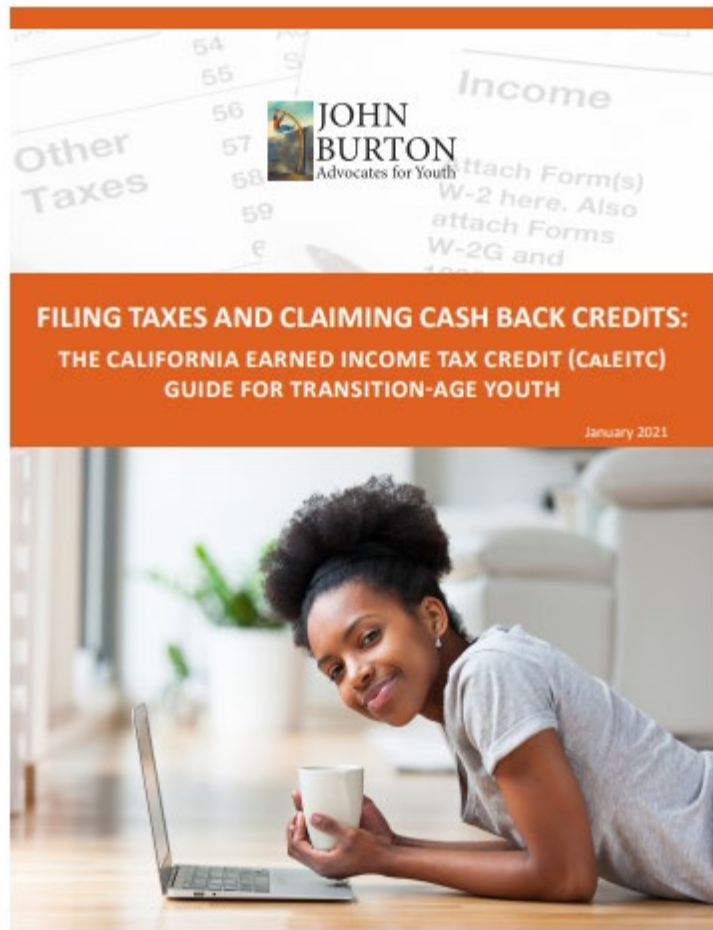
All County Information Notice 2019:

https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACINs/2019/I-68_19.pdf?ver=2019-11-26-170036-633

All County Information Notice 2020:

https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACINs/2020/I-71_20.pdf

2: Review and Share JBAY's CalEITC Guide



Print out JBAY's EITC publication:

<https://www.jbaforyouth.org/cal-eitc-guide/>

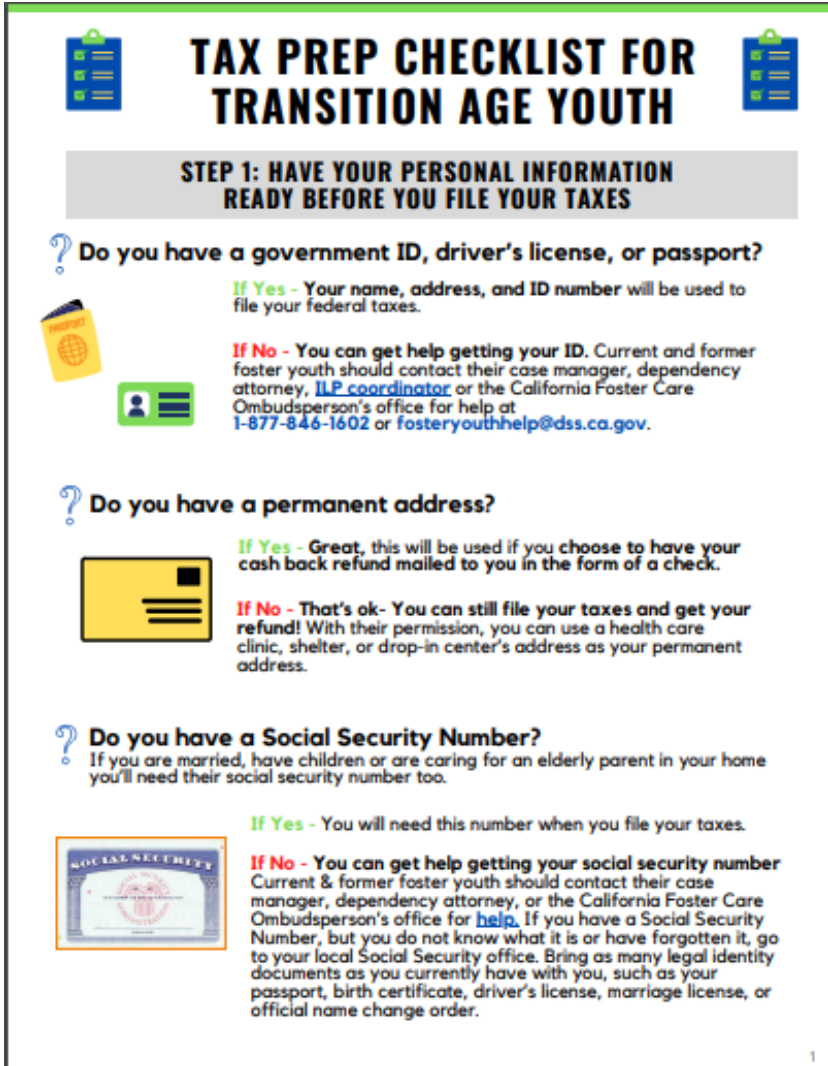
- Targets TAY and supporters as an audience
- Contents:
 - Step 1: Learn about the CalEITC
 - Step 2: Do I need to file taxes?
 - Step 3: Prepare to file your taxes
 - Step 4: File your taxes
 - Step 5: Get your tax refund
 - Glossary & Appendix

3: Share informational materials about the CalEITC and taxes with TAY and partners



- Follow the HUB on [twitter](#), [instagram](#) and [facebook](#)
- JBAY's websites on CalEITC and download the [social media toolkits](#), [posters](#), and [brochures](#) you can use for outreach
- Visit the California Franchise Tax Board's website for CalEITC brochures, posters, and information at ftb.ca.gov and CalEITC4Me.org resources page.

4: Help TAY Prepare to File with a Checklist



TAX PREP CHECKLIST FOR TRANSITION AGE YOUTH

STEP 1: HAVE YOUR PERSONAL INFORMATION READY BEFORE YOU FILE YOUR TAXES

? **Do you have a government ID, driver's license, or passport?**
If Yes - Your name, address, and ID number will be used to file your federal taxes.
If No - You can get help getting your ID. Current and former foster youth should contact their case manager, dependency attorney, [ILP coordinator](#) or the California Foster Care Ombudsperson's office for help at 1-877-846-1602 or fosteryouthhelp@dss.ca.gov.

? **Do you have a permanent address?**
If Yes - Great, this will be used if you choose to have your cash back refund mailed to you in the form of a check.
If No - That's ok - You can still file your taxes and get your refund! With their permission, you can use a health care clinic, shelter, or drop-in center's address as your permanent address.

? **Do you have a Social Security Number?**
If you are married, have children or are caring for an elderly parent in your home you'll need their social security number too.
If Yes - You will need this number when you file your taxes.
If No - You can get help getting your social security number. Current & former foster youth should contact their case manager, dependency attorney, or the California Foster Care Ombudsperson's office for help. If you have a Social Security Number, but you do not know what it is or have forgotten it, go to your local Social Security office. Bring as many legal identity documents as you currently have with you, such as your passport, birth certificate, driver's license, marriage license, or official name change order.

Tax Preparation Checklist

<https://www.jbaforyouth.org/wp-content/uploads/2021/01/TAY-tax-prep-checklist-.pdf>

Commit to supporting TAY with filing taxes

- Encourage them to file
- Help them receive free reliable information, support, and materials from JBAY and other partners throughout the tax season

5: Dedicate time between February and April



Tax Season 2021 - **February 12th** - **April 15th**

Outreach Plan

- Staff Memo & Activities
- HUB Mailer
- Outreach Blasts & Circulation
- Tax Event Dates and Times
- Site Hours of Operation



6: Direct TAY to free tax prep services

SCC HUB VITA Site

Appointments can be

- In-Person (following COVID safety guidelines)
- Drop off
- Virtual

Use this Scheduling Link with SCC TAY

https://docs.google.com/forms/d/e/1FAIpQLScK-3pVFia1Pk5dK4sczdrbxgj8QbyMROBT6yYvkwYSYh5x-Q/viewform?usp=pp_url

VITA Locator Tool

<https://irs.treasury.gov/freetaxprep/>



[Program Info](#)

Get Free Tax Prep Help

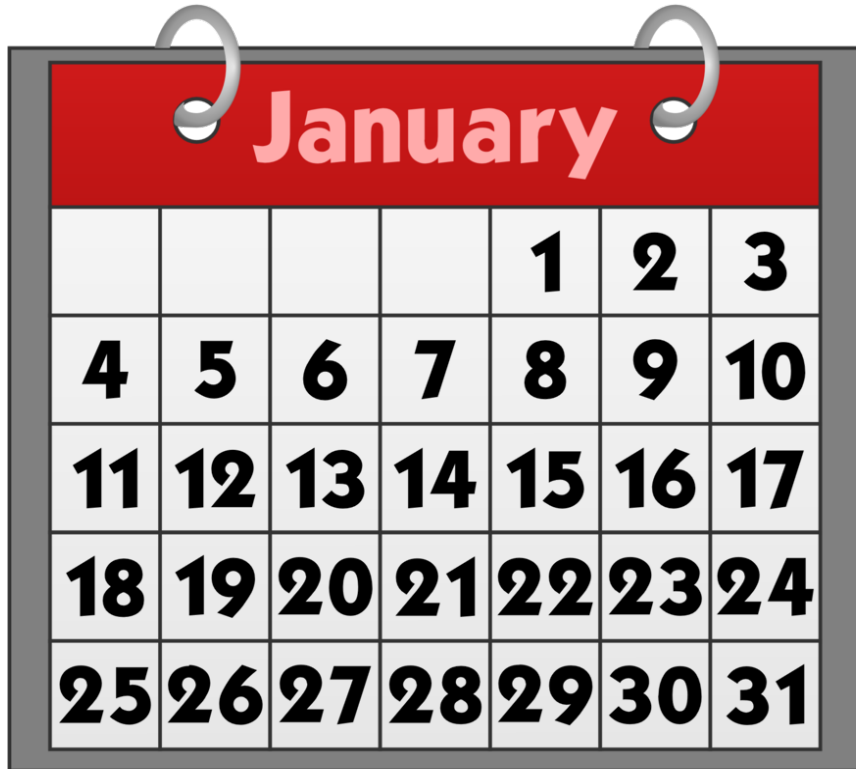
The IRS Volunteer Income Tax Assistance (VITA) and the Tax Counseling for the Elderly (TCE) programs offer free tax help for taxpayers who qualify. Find a provider near:

within miles

One result found

Provider	Distance	Dates	Hours	Languages	Appointment
San Antonio CDC 2228 East 15th Street 2nd Floor Oakland, CA 94606 510-536-5179 Volunteer Prepared Taxes Get Directions and Service Details	9.0 MI	14 FEB 2018 - 14 DEC 2018		English Spanish Cantonese Mandarin Sign Language	Required

8: Help TAY file for previous year's and save important tax documents



TAY can **file previous year's taxes** up to three prior tax years.

They will need to gather their **tax information from those prior years** and can use the same checklist to prepare.

How to **organize** tax documents:
<https://www.taxslayer.com/blog/how-to-organize-your-tax-documents-for-the-new-year/>



TAY-SPECIFIC SITUATIONS

Specific Situations: Immigration

- Lived in the United States for more than half of the last year
- US citizen, resident alien, married to US citizen or resident alien
- DACA: social security number
- Undocumented: Individual Taxpayer Identification Number



Specific Situations: Student, Financial Aid Letter

My UC Berkeley Costs	
Books and Supplies	\$1,230.00
Tuition and Fees	\$12,972.00
Living Expenses	\$17,966.00
Total UC Berkeley Costs	\$32,168.00
My Gift Aid	\$24,261.00
My Net Cost	\$7,907.00
Total Resources to Meet My UC Berkeley Costs	\$32,168.00

Not Taxable

Taxable

Therefore, the amount of the Gift Aid that is taxable is:

\$24,261
-\$12,972
-\$ 1,230
\$10,059

Specific Situations: Student, 1098-T

- Section 1: amount you have paid. Does not include amount in Section 5
- Section 2: amount you have been charged
- Section 5: total of all financial aid. Does not include loans

CORRECTED

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number UC Berkeley 123 College Ave Berkeley, CA 94720		1 Payments received for qualified tuition and related expenses \$ 5,643.00	OMB No. 1545-1574 2018	Tuition Statement
		2 \$32,168.00	Form 1098-T	
FILER'S employer identification no.	STUDENT'S TIN	3 If this box is checked, your educational institution changed its reporting method for 2018 <input type="checkbox"/>		Copy B For Student This is important tax information and is being furnished to the IRS. This form must be used to complete Form 8863 to claim education credits. Give it to the tax preparer or use it to prepare the tax return.
STUDENT'S name Jane Do		4 Adjustments made for a prior year \$	5 Scholarships or grants \$ 24,261	
Street address (including apt. no.) 567 Broadway		6 Adjustments to scholarships or grants for a prior year \$	7 Checked if the amount in box 1 includes amounts for an academic period beginning January–March 2019 <input type="checkbox"/>	
City or town, state or province, country, and ZIP or foreign postal code San Francisco, CA 94101		8 Check if at least half-time student <input type="checkbox"/>	9 Checked if a graduate student <input type="checkbox"/>	
Service Provider/Acct. No. (see instr.)		10 Ins. contract reimb./refund \$		

Form **1098-T** (keep for your records) www.irs.gov/Form1098T Department of the Treasury - Internal Revenue Service

Specific Situations: Student, loan interest deductions

- If your income is less than \$80,000, and you are currently paying off student loans, you can **deduct up to \$2,500** of student loan interest from taxable income
- Will receive a **1098-E** form, which reports student loan interest
- Can deduct \$2,500 of the \$8,582.13

8484 VOID CORRECTED

<small>RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone number</small> America's Bank 1234 Main St San Francisco, CA 94100		<small>OMB No. 1545-1576</small> 2019 <small>Form 1098-E</small>	Student Loan Interest Statement Copy A For Internal Revenue Service Center File with Form 1096. <small>For Privacy Act and Paperwork Reduction Act Notice, see the 2019 General Instructions for Certain Information Returns.</small>
<small>RECIPIENT'S TIN</small>	<small>BORROWER'S TIN</small>	1 Student loan interest received by lender \$ 8,582.13	
<small>BORROWER'S name</small> Jane Do			
<small>Street address (including apt. no.)</small> 567 Broadway			
<small>City or town, state or province, country, and ZIP or foreign postal code</small> San Francisco, CA 94101			
<small>Account number (see instructions)</small>		<small>2 Check if box 1 does not include loan origination fees and/or capitalized interest, and the loan was made before September 1, 2004</small> <input type="checkbox"/>	

Form **1098-E** Cat. No. 25088U www.irs.gov/Form1098E Department of the Treasury - Internal Revenue Service
Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Specific Situations: Student, loan interest deductions

- Report the \$2,500 deduction on form 1040, line 33

	22	Combine the amounts in the far right column for lines 7 through 21. This is your total income ▶	22	
Adjusted Gross Income	23	Educator expenses	23	
	24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
	25	Health savings account deduction. Attach Form 8889 .	25	
	26	Moving expenses. Attach Form 3903	26	
	27	Deductible part of self-employment tax. Attach Schedule SE .	27	
	28	Self-employed SEP, SIMPLE, and qualified plans . . .	28	
	29	Self-employed health insurance deduction	29	
	30	Penalty on early withdrawal of savings	30	
	31a	Alimony paid b Recipient's SSN ▶	31a	
	32	IRA deduction	32	
	33	Student loan interest deduction	33	\$2,500
	34	Tuition and fees. Attach Form 8917	34	
	35	Domestic production activities deduction. Attach Form 8903	35	
	36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your adjusted gross income ▶	37		

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form **1040** (2015)

Specific Situations: Student, CalEITC and FAFSA

- Complete FAFSA form with tax information
 - Do your taxes in February, complete the FAFSA by May
 - CalEITC does not impact eligibility for FAFSA
- <https://www.jbaforyouth.org/fafsachallenge/>

STUDENT

Student Demographics	School Selection	Dependency Status	Parent Demographics	Financial Information
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Student Tax Information

i • Attention! You must provide financial information from your 2016 tax return on the following pages.

✓ • Application was successfully saved.

For 2016, have you completed your IRS income tax return or another tax return?

For 2016, what is your tax filing status according to your tax return?

Did you file a Puerto Rican or foreign tax return for 2016?
 Yes No

+ Applying is faster and easier if you transfer your tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT)!

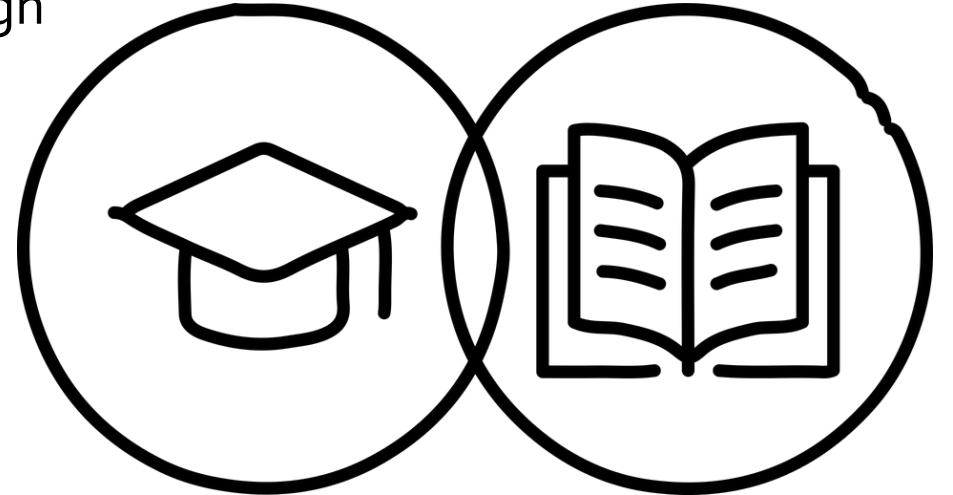
[LINK TO IRS](#)

[PREVIOUS](#) [NEXT](#)

[NEED HELP?](#) [SAVE](#) [CLEAR ALL DATA](#) [VIEW FAFSA SUMMARY](#) [EXIT](#)

Specific Situations: Student, non-filer status

- Without filing taxes, you may have to demonstrate proof of non-filer
- As of January 2019, you can obtain non-filing status, or sign statement saying you tried to obtain it
- However, IRS has discretion to determine if attempt was sufficient
- May delay financial aid
- To learn more about the new proof of non-filer guidelines, visit:
<https://ifap.ed.gov/eannouncements/010919Chngsto1819and1920VerificationReq.html>



Specific Situations: Homeless

- Can use a clinic, shelter, **drop-in center as an address**, with their permission
- Without a bank account, bring tax return check to Walmart, or have refund loaded onto **prepaid debit card**



Specific Situations: Juvenile hall or other temporary detention

- AB-2448: youth access to internet for educational purposes
- Have somebody bring tax forms
- File for tax extension until October 15
- Can claim CalEITC regardless of past convictions
- Wages while incarcerated or on work release are not counted as income for EITC



Specific Situations: Foster care payments

Foster care payments are not taxable income

- SILP or THP payments
- Infant supplement payments
- Universal Basic Income payments
- Gift cards or stipends from ILP or providers



Specific Situations: Joint Custody

- Only one parent can claim tax benefits
- Custodial parent
- If parents split custody, then parent with highest gross income



Specific Situations: Claimed as a Dependent

Legally claimed as dependent if:

- Child, student, more than half of your financial support is from another taxpayer
- Not a child, but a relative, live with taxpayer, make less than \$4,050, more than half of financial support is from another taxpayer

File taxes electronically, will be declined if claimed as a dependent

- File taxes by mail
- IRS will look into the case

IRS Identity Theft number: **1-800-908-4490**





SCENARIOS

Scenario: Student

Brenda

- Age: 23-year-old student
- Income: \$4,000 per year from part-time job
- Financial aid: \$12,000 for tuition and \$12,000 for living expenses
- Children: None

Is she legally required to file state taxes?

Is she eligible for the CalEITC?

If so, how much could she get from it?



Scenario: Student

Is she legally required to file state taxes? **No**

- Taxable income: \$4,000 from part-time job + \$12,000 for living expenses = \$16,000
- Nontaxable income: \$12,000 for tuition
- \$16,000 of taxable income is below mandated filing threshold of \$18,241

Is she eligible for the CalEITC? **Yes**

- Her income is below the maximum qualifying income of \$30,000

How much could she get from the CalEITC?

- \$240



Scenario: Foster youth

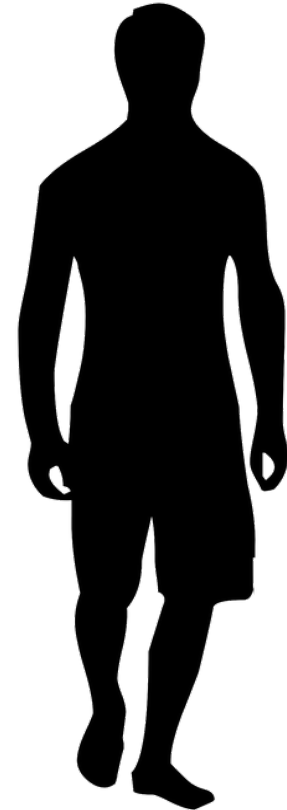
Joe

- Age: 19-year-old foster youth and part-time student
- Income: \$12,000 per year from part-time job
- Receives \$960 monthly SILP payment
- Children: None

Is he legally required to file state taxes?

Is he eligible for the CalEITC?

If so, how much could he get from it?



Scenario: Foster youth

Is he legally required to file state taxes? **No**

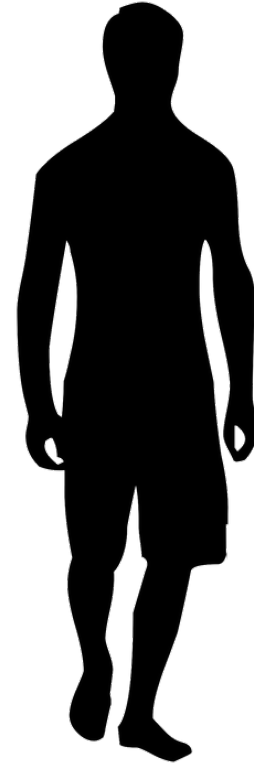
- Taxable income: \$12,000 from part-time job
- Nontaxable income: monthly SILP payments of \$960
- \$12,000 of taxable income below the \$18,241 mandated filing threshold

Is he eligible for CalEITC ? **Yes**

- His income is below the maximum qualifying income of \$30,000

How much could he get from the CalEITC?

- \$240



Scenario: Parenting youth

Charlotte

- Age: 24-year-old, unmarried
- Income: \$22,000 per year
- Children: One three-year-old, lives with her for the entire year

Is she legally required to file state taxes?

Is she eligible for the CalEITC?

If so, how much could she get from it?

Is she eligible for the Young Child Tax Credit?



Scenario: Parenting youth

Is she legally required to file taxes? **No**

- Taxable income of \$22,000 is below the mandated filing threshold with one dependent of \$30,841

Is she eligible for the CalEITC? **Yes**

- Her income is below the maximum qualifying income with one dependent of \$30,000

How much could she get from the CalEITC?

- \$1,605

How much could she get from the Young Child Tax Credit?

- \$1,000



The text "THANK YOU!" is rendered in a bold, sans-serif font. Each letter is filled with a complex, multi-colored pattern of yellow, teal, pink, and purple, creating a vibrant, layered effect. The text is centered within a white rectangular box.

**THANK
YOU!**

MORE WAYS TO HELP TAY TODAY!

Sign On to JBAY's 2021 Budget Asks for TAY

- \$22.2 M – Addressing Homelessness Among Current & Former Foster Youth
 - <https://form.jotform.com/210286417941153>
- \$729K – Extending the Infant Supplement to the 3 months prior to expected delivery date
 - <https://form.jotform.com/210277155957159>
- 10% Youth Set-Aside of State Homelessness Spending for Unaccompanied Homeless Youth
 - <https://form.jotform.com/210326329751149>

Budget hearings are scheduled for February 16th, February 17th, and March 3rd

Question & Answer Session

For more information, contact:

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Carla.Macias@ssa.sccgov.org

