



TAX SEASON READINESS TOOLKIT

Financial Stability Through Tax Credits





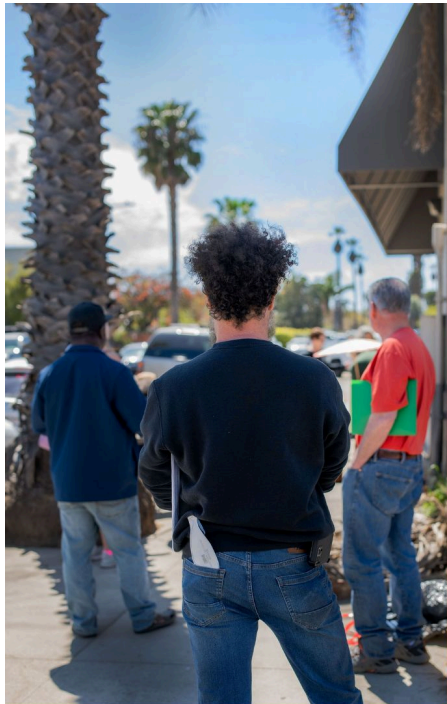
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What is the Tax Season Readiness Toolkit?

The Tax Season Readiness Toolkit is brought to you by [United Ways of California](#). This toolkit will help you file your taxes and claim tax credits, like the Earned Income Tax Credit (EITC). The purpose of this toolkit is to equip you with the tools to be informed and help remedy the confusion about taxes.



WHAT IS THE EARNED INCOME TAX CREDIT?

The Earned Income Tax Credit (EITC) is a cash benefit for tax filers with earned income between \$1–\$63,398. A tax credit means more money in your pocket. It reduces the amount of tax you owe and may also give you a refund.

For tax year 2023, the Federal EITC is worth up to \$7,430 and the California Earned Income Tax Credit, also known as the CalEITC, is worth up to an additional \$3,529.

Goals for the Tax Season Readiness Toolkit

- Connect taxpayers to free resources, like [MyFreeTaxes.org](#), to help you get through tax season.
- Provide appropriate and up-to-date information for taxpayers.
- Deliver peace of mind when it comes to filing taxes.

About United Ways of California

United Way's mission is to fight for the education, health, and financial stability of every person in every community. An equitable society has an obligation to remove barriers

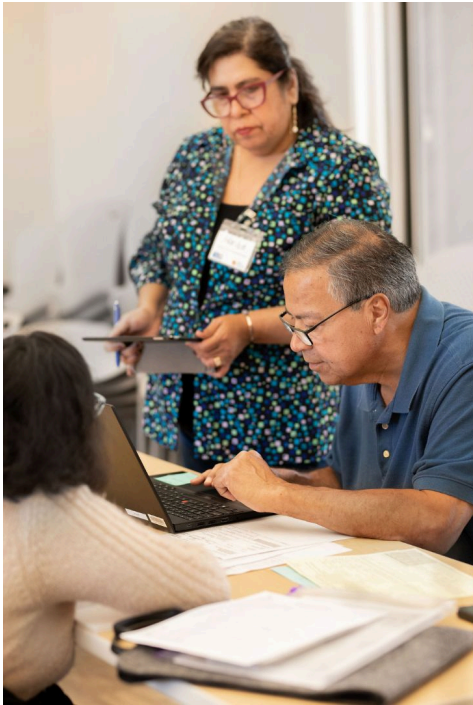
while providing support to all people. We have the power to end poverty, dismantle racism, and create a just nation for all.

The Earned Income Tax Credit is the single most effective federal antipoverty program for working-age households—providing a financial boost to workers with lower incomes.

United Ways of California has a network of free tax prep sites powered by IRS-certified volunteers to bring free tax services to the community. Visit us at [MyFreeTaxes.org](https://www.myfreetaxes.org) for free filing options.

United Ways of California also equips community based organizations, colleges and universities, K-12 schools, and religious organizations with outreach and education tools, like social media and website messaging, print collateral, sample newsletters, and more, to increase awareness about tax credits and free filing options.

Disclaimer: This toolkit is intended for tax year 2023, which are prepared starting in 2024. While tax laws and provisions do not change much year-to-year, we recommend that you visit our website for the most up-to-date toolkit in future years at [MyFreeTaxes.org](https://www.myfreetaxes.org).



How do I claim the Earned Income Tax Credit?

The only way to claim the EITC and CalEITC is to file your taxes.

More about the EITC

EITC is a cash benefit that you can claim with confidence. It does not count as income and it is not a public charge.

File your taxes and file early.

For many people, filing taxes is stressful and often avoided. In fact, filing taxes is a major part of our financial well-being and part of our lives in many ways. Taxes are an annual event where we can review how much money we earned and, in most cases, receive a cash back refund.

In recent years, our federal and state tax agencies have experienced delays in processing. It is important to file early using electronic submission and direct deposit, and to check on the status of any refund.

Filing early also means receiving credits, like the EITC, and tax refunds as soon as possible. That is more money in your pocket and when you need it.

Who *must* file? vs. Who *should* file?

While there are income guidelines on who *must* file, we like to focus on who *should* file.

For example, while a married couple with two children under 17 years old and earnings of about \$25,000 would not be required to file—they would miss out on credits like the Earned Income Tax Credit (EITC) and other cash back refunds worth thousands of dollars. This couple *should* file their taxes and claim what is theirs.

Disclaimer: As mentioned, the following income and credit amounts are based off of tax year 2023. Income and credit amounts may vary for future years.

You must file a tax return if any of the following apply (regardless of how much you earned during tax year 2023):

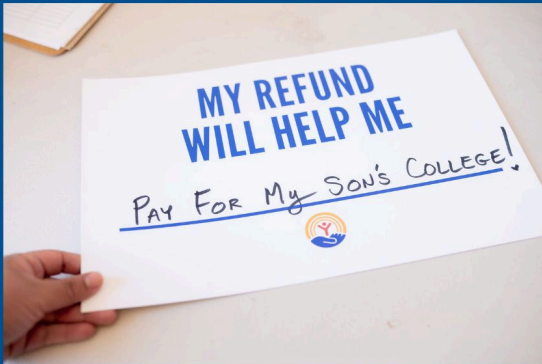
- Cash income, self-employment income, business income, or income from a 1099 NEC, MISC, or K of at least \$400.
- Income from a retirement account (form 1099 R) if you were under the age of 59 and ½ at the end of 2023.
- If you purchased healthcare on the Marketplace (Covered CA or Healthcare.gov) at any time during 2023.

You *must* also file a tax return if your total income for tax year 2023 exceeds the amount listed below:

Filing Status	Under 65 years old	65 years or older
Single	\$13,850	\$15,700
Head of Household	\$20,800	\$22,650
Married Filing Jointly	\$27,700 (both spouses)	\$30,700 (both spouses) \$29,200 (one spouse)
Married Filing Separate	\$5	\$5
Qualifying Surviving Spouse	\$27,700	\$29,200

While your income may be below the amount for “Who must file,” it’s important to file your taxes anyway to claim any taxes withheld during the year and tax credits.

If you would like to read more on the income guidelines for who must file, visit the [IRS website](#) for more detailed information.



If you are a college student or have a dependent who is a college student, make sure to save your receipts to claim tax credits and deductions available for qualified education expenses paid during the tax year. The American Opportunity Tax Credit (AOTC) alone provides a maximum credit of \$2,500 per eligible student; the Lifetime Learning Credit (LLC) provides a maximum credit of \$2,000 per return.

Benefits of Filing

There are a number of benefits to filing your taxes. Here are a few reasons to file your taxes:

- If you had taxes deducted from your paycheck—some or all of the taxes deducted from each paycheck may be returned to you.
- You may qualify for tax credits, like Earned Income Tax Credit (EITC) or other credits, that can put thousands of dollars back in your pocket if you are eligible. This is free money, it is not counted as income, and the only way to get it—is to file your taxes.
- In recent years, stimulus, and rebates were issued using the most recent tax return information. File your taxes to reduce delays in receiving any future payments.
- A tax return may be required and can streamline the application process for other benefits, like when applying for healthcare coverage through Covered CA, public benefits, low-income or senior housing, home or business loan, immigration services, or financial aid for higher education.

- For individuals that pay taxes when filing, completing a tax return ensures that all the deductions and credits that you qualify for have been applied to your tax return. Also, by filing and paying your taxes on time, you will avoid late fees.

TAXES IMPACT THE ECONOMIC LADDER

A tax refund can be the largest check of the year. For many taxpayers, it is a time to review our finances and make plans for our future.

More so, a completed tax return may be required for major life moments, like changing immigration status, and applying for home or business loans, college grants and assistance, and the list goes on.



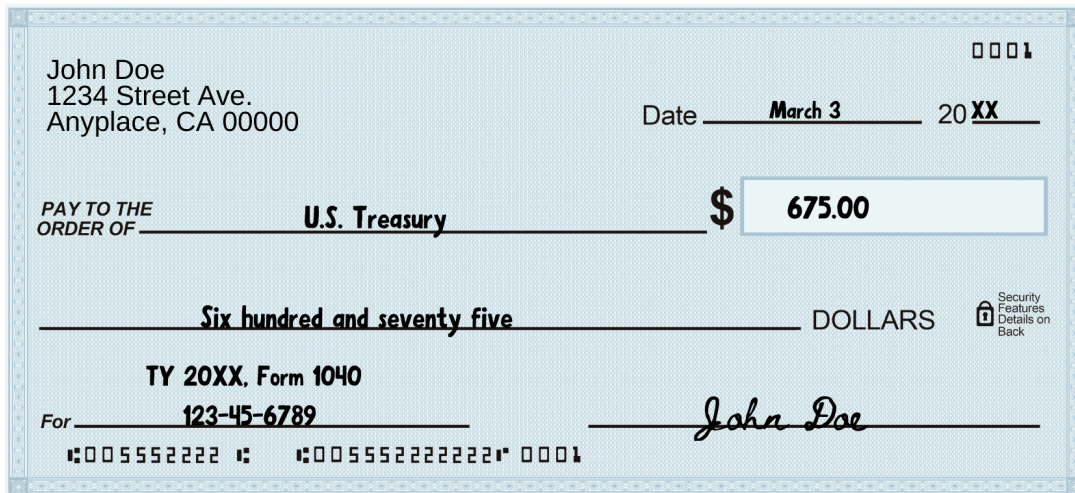
Making Payments

There are multiple options when it comes to paying taxes if you owe. You may submit a payment when filing an extension or taxes online with your complete bank account and bank routing number. Another fast and secure way to make any payment is on the IRS website at www.irs.gov/payments.

You may also call the IRS general line to make a payment through the automated phone system at 1-800-829-1040.

Lastly, you may make payments by mail using a personal check or money order. It is important to include relevant notes with your check or money order payment—such as which tax year you would like the payment applied to (for example, “Tax Year 2023”) and your social security number or ITIN on the check memo. Checks written to the IRS are written to the Department of Treasury. Read more at the IRS website [here](#).

Here is a sample check with relevant information you should include:



The address where you may send IRS payments:

Internal Revenue Service
P.O. Box 802501
Cincinnati, OH 45280-2501

Make Payments to the Franchise Tax Board

When it comes to paying the Franchise Tax Board, the process is similar. You can pay over the phone, online, or by mailing a check. To pay online, visit:
<https://www.ftb.ca.gov/pay>.

To make any payment or set up a payment plan with the Franchise Tax Board, you can call 1 (800) 852-5711. To mail your payment to the Franchise Tax Board, send a check written out to the Franchise Tax Board to the following mailing address:

Franchise Tax Board
P.O. Box 942867
Sacramento, CA 94267-0001

Payment Plans

When it comes to owing the IRS, it is important to communicate with the IRS if the amount owed is a hardship immediately. You may request for a payment plan with your tax preparer, when filing your own taxes online (i.e., using MyFreeTaxes.org), or by calling the IRS.

If your tax debt is more than what you can handle, the IRS Taxpayer Advocate is an independent resource that helps low-income taxpayers in facing barriers to paying down their tax debt. Read more information about the Taxpayer Advocate, [here](#).

Key Filing Dates

Tax Filing Start Date

The tax filing season usually kicks off the week of January 20th to the 30th. It is important to gather your income documents early and have a plan on how you will file. Waiting for the last moment to file may result in not being able to file at all. For example, if you are missing a document or need help from a tax professional, you will want to give yourself enough time to have all your documents and schedule an appointment.

For most people, the filing deadline is known to be April 15th, and it is referred to as “Tax Day.” In recent years, the tax filing deadline has moved a few days because of state holidays or even a few months because of the pandemic. It is important to pay attention to the deadline each year, as it is subject to change, and to plan early on how you will file.

For those that owe

The filing deadline, usually around April 15th, is the deadline to file taxes and pay if you owe the IRS. For the 2024 tax season, the filing deadline for those that owe taxes for tax year 2023 is April 15, 2024.

The IRS charges a penalty for not filing by the deadline and starts to charge interest on any unpaid taxes starting the day after the filing deadline. The interest for unpaid taxes owed is much lower than the penalty for not filing by the deadline. By filing an extension, you will avoid a penalty for not filing on time, but please note that interest will still accumulate for any unpaid taxes owed. To keep interest fees down on unpaid taxes, try to pay as much of the amount due as possible before the April tax deadline.

For those that expect a refund

The filing deadline for individuals expecting a refund is three years after the filing deadline. This means, the filing deadline for tax year 2023 is April 15, 2027.

This also means that if you have not filed your 2020 tax return, you will have until May 17, 2024, to file and claim your refund.

What if you need more time?

There are instances when you may need more time to file your taxes. You may submit a Request for Extension for an additional 6 months to submit your tax return. An extension can easily be filed electronically on the IRS website, by mail, or by a tax professional.

An extension allows for an additional 6 months to submit your taxes and avoid any fee for not filing on time. The extension does not give you more time to pay any tax debt—again, any unpaid taxes will be charged interest the day after April 15, 2024, the filing deadline.

Deadlines for those that owe and those expecting a refund

Need more time to file	What should you do?	Filing deadline
Expecting a refund	Relax. You do not have to file an extension, and there is no fee if you file late.	File as soon as you can to receive your refund. The filing deadline is April 15, 2024.
Expecting to owe	Try to pay any amount due and	File as soon as you can. With an

	submit an extension before April 15, 2024.	extension, your filing deadline is October 15, 2024.
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You may request an extension online for your federal return. Complete the Federal Extension Request [online](#) or by mail using the [paper form](#).

At this time, all taxpayers have an automatic extension to file in the State of California. However, any taxes owed should be paid by April 15, 2024.

The filing extension allows you to submit a return as late as October 15, 2024, to avoid the late filing penalty. The extension does not provide more time to pay any taxes owed—again, interest on any taxes owed begin to accumulate after the April 15, 2024, filing deadline.

Here is a recap on important deadlines

January 2, 2024 (FTB) January 29, 2024 (IRS)	The IRS and State of California start to accept tax returns. The 2024 tax season begins.
April 15, 2024	Filing and payment deadline for taxpayers that owe taxes for tax year 2023.
April 15, 2024	Deadline to submit tax extension for tax year 2023 returns.
April 16, 2024	Any unpaid taxes start to accrue interest for tax year 2023 returns.
May 17, 2024	Last day to file and claim any refund from tax year 2020.
October 15, 2024	Deadline to file taxes for taxpayers that submitted a filing extension.
November 15, 2024	Last day to electronically file a tax return in 2024.
January 29, 2025	Approximately the first day to electronically file a tax return in 2025.
April 15, 2027	Last day to file and claim any refund for tax year 2023.

Tips for Filing on Time

Here are some tips to avoid filing late and claiming any refund early.

- Have a plan on how you will file your taxes early.
 - Check out free filing options to [MyFreeTaxes.org](https://www.myfreetaxes.org)!

- Schedule an appointment by visiting [MyFreeTaxes.org](https://www.myfreetaxes.org)!
- Gather all your documents.
 - Collect annual income statements from any earnings, like your employer, bank, and any other income, on forms 1099 and W-2's. These are usually sent to you in January.
 - Collect documents for tax credits, like college expenses and childcare expenses, student loan payments, donations, business receipts, and tax other benefits.
 - Contact any previous employers if you cannot locate a form.
- Use direct deposit for a fast and secure refund. You will need a checking or savings account number and the bank's routing number.
- File your taxes and check on the status of your federal and/or CA state tax returns.
 - Confirm that your return was accepted by the IRS and Franchise Tax Board.
 - To check the status of your federal refund, visit IRS website at www.irs.gov/refunds
 - To check the status of your California refund, visit the Franchise Tax Board website at www.ftb.ca.gov/refund/index.asp

What documents do you need to file your taxes?

To file early and reduce any delays, start collecting your tax documents as soon as you can. Here is a list of documents needed to prepare your tax return. These are the most commonly-used resources you'll need to successfully complete your taxes with any filing method.

- Social Security/ITIN Numbers and Birthdates for taxpayer, spouse, and dependents (**Note: *In-Person VITA and GetYourRefund require you to provide physical cards***)
- Income Documents for Taxpayer and Spouse (Forms W-2, 1099, Self-Employment Income, etc.)
- Any other tax forms you received

- 1095-A if you are insured by Covered CA or if you received credit from the healthcare.gov marketplace.
- Bank Information for Direct Deposit - Account and Routing Number (can be found on a check).
- Form 1098-T if tuition was paid to an educational institution, or if a scholarship was received.
- Last year's tax return (if you have it).
- If self-employed: Business expenses and mileage.
- Access to cell phone, computer, and printer (If Self-Filing or using GetYourRefund).
- Government Issued ID for Taxpayer and Spouse.
- For VITA** - Printed and Completed [Intake Form 13614](#) (If possible).

To print and download the list of required documents, visit [MyFreeTaxes.org](https://www.myfreetaxes.org).

To maximize your refund, we recommend collecting these - they may help you claim Credits and Deductions on your return:

- All qualified college education expenses (books, course materials, etc.)
- Childcare expenses: name, address, Tax ID or Social Security Number of your child care provider.
- Retirement/IRA: Amount contributed to an IRA (Individual Retirement Account) that is not deducted from your wages with your current employer.
- Educator expenses for teachers K-12 (school supplies and materials used in the classroom).
- Charitable donations: list of contributions and amounts, receipts for contributions over \$250.
- DMV registration bill.
- Mortgage interest statement (Form 1098) and property taxes paid.
- Out-of-Pocket Medical Expenses.

Missing Documents

- If you are missing any documents, it is important to request them from the source (i.e. your employer, the bank, college or university, etc.) as soon as possible. Never file a tax return with incomplete or missing tax documents. Submit an accurate tax return with all of your tax documents to avoid an audit or having to return money to the IRS.

- ❑ If you are filing a previous year's tax return, it may be very difficult to track down your income documents. You may request an Account Transcript from both the IRS and the State of California and for any tax year. An Account Transcript will show income sources and the amounts earned. Visit the [IRS](#) and [Franchise Tax Board](#) websites to order or immediately download a previous year's Account Transcript. An Account Transcript is free, and you may access records for multiple years.

After you file

After your tax returns are filed and accepted, save your tax return and supporting documents in a safe place. If you used online software, keep a digital copy and physical printed copy of your final tax return and safeguard any login information.


It is important that you have access to the submitted and accepted return for future reference or if another source (i.e., low-income housing, public benefits, medical insurance, food assistance) is requesting your income tax record.

Free Help Filing Your Taxes


Once you have gathered all your documents, it is time to file. There are multiple options when it comes to filing your taxes for free. Filing for free ensures that you keep more of your refund. If you are ready to file, go to [MyFreeTaxes.org](#).

File your taxes for free


United Way is here to help you move up financially.
Get started to access new tax credits for your family.



File on my own



File with virtual help



Schedule in-person help

Self-File with Free Tax Preparation Software

Self-file for free through MyFreeTaxes.org with our free tax preparation software. Our tax preparation software is available online and accessible even from your cell phone. Tax preparation software is accurate, it calculates taxes and credits, and checks for possible errors. Prepare your own return for free by selecting our [File on my Own](#) option at MyFreeTaxes.org!

Software is available for the current tax year (2023) from January 29, 2024, to October 15, 2024. Please note, that our Software is only available for current year tax returns and amendments. If you need to file for previous years, check out our free in-person and virtual filing options at [MyFreeTaxes.org](#).

File with In-Person Assistance

Another option for free tax preparation, is to seek help from an IRS-certified volunteer at a Volunteer Income Tax Assistance (VITA) site. There are over 1,200 VITA sites across the country that provide quality tax preparation services for individuals with incomes up to \$64,000.

You may look up VITA sites throughout the state of California by selecting our [Schedule In-person](#) option through MyFreeTaxes.org. Do not wait until the filing deadline, schedule your appointment early! You can always call in early and secure an appointment for a later date in the tax season. VITA sites open up in late January/early February. Availability after the April 15 deadline varies and may be limited depending on the area.

Clients visiting a VITA site can benefit from much more than free tax preparation services. Many locations offer a number of wrap around services such as financial education, benefits enrollment, and grocery giveaway events. These additional programs and services ensure that families are supported all year long.

Virtual VITA Help

Taxpayers who need VITA services, but may not have a VITA location accessible to them, can file through our [virtual with help](#) option through MyFreeTaxes.org, which is available to individuals with incomes up to \$66,000. Virtual VITA services are provided through Get Your Refund, in partnership with Code for America and our local tax partners.

This secure option allows taxpayers to upload their tax return forms (W-2, 1099s, etc.) to their Get Your Refund portal either through a phone with internet access or through a computer. After uploading their documents, they are contacted from a certified VITA volunteer who will prepare their tax return. Users can expect their return to be prepared within 10-14 business days. The process may be expedited if you answer phone calls and emails from your tax preparer promptly to ensure they have all the information needed to prepare an accurate return.

Get Your Refund Virtual VITA for the 2023 tax year will operate from January 31, 2024, to mid-October 2024. Availability may vary depending on demand.

What tax services are included?

The VITA program assists with a majority of tax returns. Nearly all returns qualify for VITA services, including:

- Earnings from a job
- Self-employment, contract work, and cash income
- ITINs
- Tax credits (CaETC, EITC, CTC, YCTC, etc.)
- Unemployment insurance
- Social Security Benefits
- Retirement income
- Gambling winnings
- Home mortgage deduction
- Charitable Donations deduction
- Medical expenses deduction
- College credits and student loan interest deductions

- Previous year returns (In-person VITA sites can usually prepare up to three previous year returns. Though our virtual with help option, tax years 2020-2023 are covered)

What tax services are not included?

There are unique tax situations that the VITA program does not assist with. Here is a list of most common tax returns that are considered out-of-scope:

- If filing at a VITA site or through Get Your Refund, tax returns for individuals that cannot substantiate their identity (photo identification and original social security card/ITIN letter).
- In California, VITA sites cannot prepare Married Filing Separately returns (If you are legally married & file alone—you may be a Married Filing Separate taxpayer)
- Returns for certain businesses, self-employed, or cash income with the following:
 - Have a business loss.
 - Returns for companies and/or businesses.
 - Depreciating assets
 - Business related expenses over \$35,000.
 - Businesses with employees, inventory, or business property.
 - Taking business expense deductions with no proof (receipts, mileage, etc.). Taxpayers with these deductions may benefit from seeing a paid preparer to take advantage of complex tax deductions.
- Handwritten tax documents (W-2, 1099, 1098, etc.).
- Returns for visitors, such as “F,” “J,” “M,” or “Q” visas, that require a 1040NR tax return.
- Income from Crypto-currency, Foreign income, Royalties, Partnership, or income from an LLC (Form K-1), Rental Income, or income from Airbnb.

For a complete list of Out-of-Scope returns, visit [IRS Out-of-Scope VITA](#).

If your return is Out-of-Scope for VITA services, you may prepare your return using our self-preparation software by selecting our [File on my Own](#) option at MyFreeTaxes.org. You may also seek help from a tax professional who specializes in your unique tax situation. For example, if you have a business—you should seek the help from a tax

professional that has experience preparing returns for the type of business or industry that you work. This is another reason why planning early is very important.

MEET ALICIA!

“This service has just been amazing for me. Because I was on disability, I wasn’t sure if I needed to file my taxes. I didn’t know I was missing out on tax credits like the Child Tax Credit. Instead of paying, I was able to get my taxes done for free. Being able to provide a bit more at Christmastime when my kids ask for new shoes or getting that dress for prom, is really amazing. I hope more people reap the benefits from this free tax service.”



Tax Credits and Deductions

Gathering all your documents and staying organized pays off.

Deductions can reduce your income and ultimately reduce taxes. Tax credits can reduce the amount of tax you owe or may increase your tax refund. Certain credits may give you a refund even if you do not owe any tax.

Make sure to keep receipts and supporting documents to take advantage of deductions and tax credits.

File with confidence:

- Claiming tax credits is not considered income and will not affect any of the other public benefits you might receive.
- Also, claiming tax credits is not considered public benefits under the U.S. Citizenship and Immigration Services (USCIS) public charge rule.

The Most Common Tax Credits

Earned Income Tax Credit

The Earned Income Tax Credit (EITC) is a tax credit for individuals and families who have earned a low to moderate income. The EITC is the #1 antipoverty program in the nation. As of December 2020, approximately 25 million eligible workers and families nationwide received roughly \$62 billion back from the EITC.

Eligible tax filers can receive up to \$7,430 for the 2023 tax year, depending on income and family size. Single filers without children are eligible.

To qualify, you must:

- File a federal income tax return
- Have [earned income](#) between \$1–\$63,398
- If you have investment income, it must be below \$11,000
- File with a Social Security Number (SSN) that is valid for employment
- Be a [U.S. citizen or resident alien](#) all year
- If you are single without any dependents, you must be at least 25 years old, but under 65 as of December 31
- You cannot be:
 - Married and filing separately unless you meet an exception:
 - Lived apart from their spouse for the last 6 months of the year OR
 - Are legally separated according to state law under a legal separation agreement OR
 - Have a decree of separate maintenance and didn't live in the same household as their spouse at the end of the year
 - Be a dependent of another person

What else you should know:

- The federal EITC is only available for those filing with a Social Security Number (SSN). However, beginning in the 2021 tax year, singles, and couples who have Social Security numbers can claim the credit, even if their children don't have SSNs. In this instance, they would get the smaller credit available to childless workers. In the past, these filers didn't qualify for the credit. Read on for other tax credits that are now eligible for ITIN filers.

- Taxpayers with an Individual Tax Identification Number (ITIN) are still eligible for other credits, including the CalEITC! Continue reading for more information.

California Earned Income Tax Credit (CalEITC)

Like the federal Earned Income Tax Credit, the California Earned Income Tax Credit (CalEITC) is a tax credit, but available exclusively to California families – including Individual Tax Identification Number (ITIN) holders. An estimated 3 million California families and individuals qualified for the credit in 2021.

For tax year 2023, eligible tax filers can receive up to \$3,529 depending on their income and family size.

To qualify, you must:

- File a California state tax return
- Have earned income between \$1–\$30,950
- File with a valid Social Security Number (SSN) or Individual Tax Identification Number (ITIN)
- Be at least 18 years old OR have a qualifying child
- Have lived in CA for more than half the filing year
- Married/registered domestic partner (RDP) filing separately filers must meet all the following requirements:
 - Had a qualifying child who lived with you for more than half of the tax year, and:
 - You lived apart from your spouse/RDP for the last 6 months of the tax year, or
 - You are legally separated by state law under a written separation agreement or a decree of separate maintenance and you did not live in the same household as your spouse/RDP at the end of the tax year
- You cannot:
 - Be claimed as a qualifying child of another taxpayer
 - Be claimed as a dependent of another person unless you have a qualifying child

What else you should know:

- You may go back up to four years to claim CalEITC by filing or amending a CA state income tax return.
- You do not have to have a child to qualify for CalEITC, unless you are under 18 years old.

Child Tax Credit (CTC)

The Child Tax Credit (CTC) is a tax benefit designed to help families with qualifying children get a tax break. You may be able to claim the credit even if you don't normally file a tax return. Many changes to the child tax credit (CTC) for 2021 implemented by the American Rescue Plan Act of 2021, have expired. For the 2023 tax year, the Child Tax Credit is up to \$2,000 per qualifying child (of which up to \$1,600 is refundable). The exact amount a family receives is based on income and the number of qualifying children you claim on your tax return.

To qualify, you must:

- Have lived in a main home in one of the 50 states or the District of Columbia for more than half the year.
- Have a qualifying child who was under 17 at the end of 2023 with a Social Security Number valid for employment, and who provided no more than half of their own financial support and lived with the tax filer claiming the credit for more than half the tax year
- Meet the following modified adjusted gross income limits:
 - \$400,000 or less if you are married and filing a joint return OR
 - \$200,000 or less for all other filing statuses

What else you should know:

- We encourage people to have conversations with family members before it's time to file.
- Even if you weren't required to file taxes in 2022 or 2023, but were eligible to claim these tax credits and missed out, you can still receive your Child Tax Credit benefits.
- Parents who are ITIN holders can claim the federal Child Tax Credit (CTC) until 2025, if they have a qualifying child with a valid SSN.

Young Child Tax Credit (YCTC)

The Young Child Tax Credit is a benefit available exclusively to California families with young children. For tax year 2023, eligible households may receive up to \$1,117.

To qualify, you must:

- File a California state return
- Qualifies for CalEITC (income requirement is an exception)
 - No more than \$30,931 in earned income
 - For tax year 2022 forward, no earned income is required, and you may have a net loss of as much as \$33,497 if you otherwise meet the CalEITC requirements
- Have at least one child under the age of 6

What else you should know:

- Only one person can claim a child. We encourage people to have conversations with family members before it is time to file.
- ITIN holders are eligible to receive this credit.

Foster Youth Tax Credit

Starting in 2023, former Foster Youth may claim the new Foster Youth Tax Credit. For tax year 2023, the credit is up to \$1,117 for individuals and up to \$2,234 for joint returns (if both taxpayers qualify).

Eligibility Criteria:

- Earned income (\$1-\$30,931)
- Otherwise qualify for the CalEITC
- Were ages 18 to 25 at the end of the tax year
- Were in California foster care at age 13 or older and placed through the California foster care system
- Claim the credit on the 2022 FTB 3514 form, California Earned Income Tax Credit, or follow the instructions on your tax software
- Satisfy foster care verification requirement (can do so when filing your return by providing consent to the State of California Franchise Tax Board to verify previous foster care status)

The exact amount you can receive in the Foster Care Credit depends on your total earnings.

Nonrefundable Renter's Credit

If you paid rent for at least half of the tax year and have a personal income tax liability, you may be eligible for a [Nonrefundable Renter's Credit](#) in California.

Credits for Child and/or Dependent Care

You could get thousands in tax credits and qualify for money to help cover the costs of care for a qualifying child or dependent— which could mean money in your pocket — even if you don't owe any taxes. Learn more about the Child and Dependent Care Credit at the [CA state](#) and [federal](#) level.

For California tax filers:

- If you adopted a child in California, you may be eligible to claim the [Child Adoption Costs Credit](#).
- If you cared for an elderly parent, learn more about the [Dependent parent credit](#)
- If you share joint custody of a child, stepchild, or grandchild, and pay for more than half their expenses, you may be eligible for the [Joint custody head of household credit](#).

Credits for Higher Education and Postsecondary Education

Take advantage of tax credits that could help you pay tuition bills and stay focused on what matters: your schoolwork. Make sure to keep all your receipts for textbooks, technology, supplies, tuition, and obtain form 1098-T from your college or university. Paying down your student loans is a tax deduction. Form 1098-E indicates how much interest was paid in the tax year.

Find out if you're eligible for college education tax deductions and credits, such as the [American Opportunity Tax Credit](#) and the [Lifetime Learning Credit](#), or a student loan interest deduction. If you contribute to the California Access Tax Credit (CATC) Fund, you may also be eligible for the CA [College Access Tax Credit](#).

Most Common Deductions

Business owners and the Self-Employed Deductions

The cost to run your business, like supplies, equipment, mileage, and more, can be deducted from your earnings. Save all of your receipts throughout the year and keep track of your business miles to take full benefit of business deductions. Learn more about Tax Breaks for Business Owners and Self-Employed [here](#).

In-Home Supportive Service (IHSS) Care Providers Deduction

Individuals working as care providers through the State of California's In-Home Supporting Service program may elect to have their earnings entirely deducted if they provide care for an individual living in their home. While the earnings are entirely deducted, you may still benefit from claiming tax credits like EITC, Child Tax Credit, CalEITC, and other credits. It is important to still file—even if you are not required to—in order to claim these credits.

Individuals Saving for Retirement

Did you know that you could reduce the federal income tax you pay by proactively saving your money for retirement? You may be eligible for the Retirement Savings Contribution credit (Saver's Credit) for making eligible contributions to your IRA or employer-sponsored retirement plan, or for contributions to your ABLE account, if you're the designated beneficiary. Learn more about the Retirement Savings Contribution Credit [here](#).

Victims of Natural Disasters

Have you been a victim of a hurricane, flood, fire, or other natural disaster? Get answers to some common tax questions and learn about potential tax relief available to you [here](#).

Teachers

Have you spent your own money on books or school supplies for your students? If so, you can deduct those expenses and save money. Find out more about Tax Deductions for Teachers [here](#).

Individual Tax Identification Number (ITIN)

An Individual Taxpayer Identification Number (ITIN) is a tax processing number available to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a Social Security number (SSN). ITINs are issued by the Internal Revenue Service (IRS). The IRS issues ITINs regardless of immigration status because both resident and nonresident aliens may have a U.S. filing or reporting requirement.

An ITIN is not valid for employment, but can be used to file your taxes, open a bank account, access credit and loans, and is a start to your financial footing in the United States. Both taxpayers and their dependents may qualify for an ITIN, allowing for individuals to report their income, claim dependents, claim certain tax credits, and refunds if they are eligible.

With an ITIN, taxpayers can claim benefits like the CalEITC, Young Child Tax Credit, Education Credit, Retirement Savings Credit, and other tax benefits. Individuals with an ITIN are not eligible for the Federal EITC, but parents who are ITIN holders may claim the federal Child Tax Credit (CTC) until 2025, if they have a qualifying child with a valid SSN.

Please note that under current law, receiving the Child Tax Credit or other Federal tax credits that you are eligible for will NOT affect your immigration status, your ability to get a green card, or your future eligibility for immigration benefits. Use of Federal tax credits is not considered for purposes of a “public charge” determination by U.S. Citizenship and Immigration Services.

Check if your ITIN is expired

If your ITIN wasn't included on a U.S. federal tax return at least once for three consecutive tax years, it will expire on December 31 of the third consecutive tax year of non-use. For tax years 2020, 2021, and 2022, your ITIN expired on December 31, 2023, if you did not use your ITIN on a U.S. federal tax return at least once during these years.

ITINs with middle digits (the fourth and fifth positions) "70," "71," "72," "73," "74," "75," "76," "77," "78," "79," "80," "81," "82," "83," "84," "85," "86," "87," or "88" have expired. In addition, ITINs with middle digits "90," "91," "92," "94," "95," "96," "97," "98," or "99," IF assigned before 2013, have expired.

If your ITIN is only being used on information returns for reporting purposes, you don't need to renew your ITIN, but if you need to use the ITIN to file a U.S. federal tax return, and it is expired, you will need to renew your ITIN at that time. If your ITIN expired, do not submit an application for a new ITIN number, just renew the ITIN that expired.

If you do not renew an expiring or expired ITIN, the IRS can still accept your tax return, but it may delay processing it or delay tax credits owed to you, such as the Child Tax Credit and the American Opportunity Tax Credit, which can impact when you get your tax refund.

Documents needed to apply or renew an ITIN

The ITIN application process can be completed at the same time as filing a tax return. All ITIN applications ([Form W-7](#)), including renewals, must be submitted with a completed U.S. federal tax return unless you meet an [exception](#) to the filing requirement. There is no option to apply for an ITIN as a stand-alone document without a tax return. You will need to complete your W-7 form and attach it to a completed tax return.

When you apply for an ITIN or renew an ITIN, you will need to gather identification documentation to confirm both to confirm your identity and foreign status. There are 13 acceptable documents that can be used; at least one document must have your photo,

unless you're a dependent under age 14 (under age 18 if a student). Each document must be current and contain an expiration date. The IRS will accept documents issued within 12 months of the application if no expiration date is normally available.

A passport is the only document that proves both identity and foreign status, and does not need to be submitted with any other identifying document.

- If a passport is not submitted, a combination of two or more documents from the list of 13 acceptable documents below must be submitted to that prove residency, identity, and foreign status, and that meet the photograph requirement.
- For dependents, the passport must have a date of entry to demonstrate proof of U.S. residency, unless the dependent is from Canada or Mexico, or a dependent of U.S. military stationed overseas. Dependents without an entry date on their passport will be required to submit additional documents along with the passport.

Here are the acceptable documents for proof of identity and foreign status:

Supporting Documentation	Can be used to establish:	
	Foreign status	Identity
Passport (the only stand-alone document*)	x	x
U.S. Citizenship and Immigration Services (USCIS) photo identification	x	x
Visa issued by the U.S. Department of State	x	x
U.S. driver's license		x
U.S. military identification card		x
Foreign driver's license		x
Foreign military identification card	x	x

National identification card (must contain name, photograph, address, date of birth, and expiration date)	x	x
U.S. state identification card		x
Foreign voter's registration card	x	x
Civil birth certificate	x**	x
Medical records (valid only for dependents under age 6)	x**	x
School records (valid only for a dependent under age 18, if a student)	x**	x

* Applicants claimed as dependents who need to prove U.S. residency must provide additional original documentation if the passport doesn't have a date of entry into the United States. See [Proof of U.S. residency for applicants who are dependents](#).

** May be used to establish foreign status only if documents are foreign.

Tips for applying for an ITIN

The ITIN application must be submitted with a tax return. There is no option to apply for an ITIN as a stand-alone document and without a tax return. The ITIN application process does not qualify for electronic filing and has to be mailed to the IRS or hand-delivered to a local [IRS Taxpayer Assistance Center](#).

Ensure documents include all information and documents are not expired. Please note that applicants may later be requested to provide a certified translation of their identifying documents, if they are in a foreign language.

We recommend applying for an ITIN at no cost free at a Volunteer Income Tax Assistance (VITA) site. Whenever available, choose a VITA site that has a Certified Acceptance Agent (CAA). It is not required to use a CAA to apply for an ITIN, but going to a CAA will allow you to avoid submitting your original identifying documents with your W-7 application.

Options for filing for an ITIN

There are multiple free options if you need help applying or renewing an Individual Tax Identification Number (ITIN). However, as mentioned before, it is important to plan ahead to provide ample time to apply for an ITIN. We recommend submitting your W-7 application using one of the following options.

Option 1: Make an appointment at a local Volunteer Income Tax Assistance site

Apply for an ITIN in-person at a Volunteer Income Tax Assistance (VITA) site. At select VITA sites, there are Certified Acceptance Agents (CAAs) onsite that can verify your personal identifying documents and save you the hassle of mailing these documents in. They can prepare both your tax return and ITIN application free of cost. To find a VITA site near you, select our [File with in-person help](#) option at MyFreeTaxes.org.

Option 2: Make an appointment at select IRS Taxpayer Assistance Centers

Schedule an appointment at a [select IRS Taxpayer Assistance Center \(TAC\)](#) where in-person document review is provided. The IRS Taxpayer Assistance Center will review your personal identifying documents and return them to you immediately. Please note that TACs can only assist with the W-7 form, they cannot help with filing your taxes. You can schedule an appointment by calling (844) 545-5640.

Option 3: Mail on your own

Another option is to mail your completed tax return, W-7 ITIN application, and personal identifying documents on your own to the IRS ITIN Center. Original documents you submit will be returned to you at the mailing address shown on your Form W-7. You don't need to provide a return envelope. If you anticipate needing your original documents for any purpose within 14 weeks of submitting your ITIN application by mail, we recommend applying in person at an IRS Taxpayer Assistance Center or CAA.

The address for ITIN processing is:

Internal Revenue Service
Austin Service Center
ITIN Operation
P.O. Box 149342
Austin, TX 78714-9342

ITIN Application Processing

Once your complete application (including authentication of identifying documents) is received, you will receive a letter from the IRS, usually within seven to eleven weeks. If you do not receive a response within this timeframe, call 1-800-829-1040 (toll-free within the United States) to request the status of your application. Taxpayers overseas can call 1-267-941-1000 (not a toll-free number).

Be on the lookout for any letters from the IRS. The IRS may send you a letter asking you to fix an error, or they may reject your application. If you need to add something else for you or your dependent (proof of living in the U.S., day of entry to the U.S., or your passport is expired or will be expiring soon) and you sent all documents required before receiving a rejection letter, there could be a possibility that the IRS is behind in opening mail and these letters are getting sent out automatically. In this case, you should call the IRS directly to check the status of your application.

If the IRS received your documents and your application is still rejected, you may need to apply again and fix whatever errors have been stated in the letter from the IRS. There are a lot of different scenarios that can lead to errors when applying for an ITIN.

If you would like to contact the IRS about your rejected application, call the toll-free telephone number on the notice or call 267-941-1000 (not a toll-free number) if you're outside the U.S. You can also visit an [IRS Taxpayer Assistance Center](#) near you.

Thank you & Happy Tax Season!

It has been a pleasure to support you with filing your taxes.

We hope you share these resources with your community. Follow us on social media platforms, like [Twitter](#), [Instagram](#), and [Facebook](#), for the tax credit updates. To receive regular updates via text message, text the word TAXES to 211-211.

If you have any questions about the materials in this toolkit, please contact us at myfreetaxes@unitedwaysca.org.