

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



December 30, 1994

ALL COUNTY INFORMATION NOTICE I-50 -94

TO: ALL COUNTY WELFARE DIRECTORS
ALL CHILD WELFARE SERVICES
PROGRAM MANAGERS
ALL PUBLIC AND PRIVATE ADOPTION
AGENCIES
CDSS ADOPTIONS DISTRICT OFFICES
ALL FOSTER FAMILY AGENCIES

REASON FOR THIS TRANSMITTAL

State Law Change
 Federal Law or Regulation
Change
 Court Order
 Clarification Requested
by One or More Counties
 Initiated by CDSS

SUBJECT: EARNED INCOME CREDIT OUTREACH CAMPAIGN

REFERENCE: ALL COUNTY INFORMATION NOTICE NO.s I-04-94, dated
February 1, 1994, and I-07-93, dated February 16, 1993

The purpose of this letter is to transmit copies of the Earned Income Credit (EIC) outreach flier, envelope stuffer and fact sheet. The Center on Budget and Policy Priorities prepared the outreach materials for distribution to all state human service agencies. This year's campaign focuses on increasing participation, reaching a new population, encouraging people to use free, tax preparation services and marketing advance payments.

The earned income credit does not count as income in determining eligibility or benefit levels for the Aid to Families with Dependent Children, Food Stamp, Supplemental Security Income and Medi-Cal programs or most federally assisted housing programs. Therefore, recipients of these programs, as well as families receiving child welfare services, foster parents and adoptive parents, will benefit by applying for and receiving an earned income credit. Also for the first time, adults with no children, such as In-Home Supportive Services' providers may qualify for the earned income credit.

The earned income credit increases economic resources available to low-income working people. The effect of the benefit may be significant to families who enter the child welfare services system due to a lack of food, shelter and clothing resulting in the neglect of their children. Counties should incorporate information on the earned income credit as part of providing preplacement preventive services and family preservation services to families who enter, or are at risk of entering, the child welfare services system.

Counties should also inform foster parents and adoptive parents that a foster child and a child receiving Adoption Assistance Program payments are considered a qualifying child for purposes of receiving the earned income credit. Since many foster parents and adoptive parents are unaware of their eligibility for this credit, counties should incorporate information on the earned income credit as part of their foster parent and adoptive parent recruitment efforts.

A separate Medi-Cal mailing will not be feasible this year, due to the conversion to the plastic Medi-Cal cards, so the California Department of Social Services (CDSS) is distributing these materials earlier to give counties adequate lead time to inform clients. Attached is a revised version of last year's Medi-Cal stuffer with the "Work Pays" logo as an optional stuffer. Counties should include either stuffer with the AFDC warrants. These materials are not required forms and will not be stocked by the CDSS. Copies of the flier, envelope stuffers and fact sheets in English and Spanish are attached. A camera-ready copy of the flier, envelope stuffers and fact sheets in Cambodian, Chinese, Lao and Vietnamese will be sent to the county Forms Coordinators under separate cover by the Language Services Bureau.

Research shows that many people do not claim the earned income credit because they are either unaware of the credit or they complete the wrong tax form. Generally, a person can file an amended tax form (1040X) with the Schedule EIC for up to three years. The IRS offers free tax preparation through a program called VITA (Volunteer Income Tax Assistance). IRS' Regional Coordinators (see attached list) can provide information about VITA locations and the availability of free electronic filing. Additionally, counties can obtain a limited supply of brochures and posters from these locations free of charge.

If you have any questions regarding the materials attached with this letter, please contact Pam Kian of the AFDC Policy Implementation Bureau at (916) 654-1801.

Sincerely,



MICHAEL C. GENEST
Deputy Director
Welfare Programs Division

Attachments

WORKERS Put Some Extra MONEY in Your Pocket!!



For information about how you can get the Earned Income Credit and free help filing your taxes, call the IRS at 1-800-829-1040.



Keep all of your income tax refund this year!

Be Smart, Save Money! Workers with modest incomes can get free help preparing their tax returns. To find the free tax preparation site near you, call **1-800-829-1040**.

Remember! Getting a quick turnaround on a tax refund is the most expensive way to have your taxes filed. Paying for a quick refund takes money away from your Earned Income Credit or any other tax refund you get.

Claim Your Earned Income Credit

A Tax Benefit for People Who Work!

The Earned Income Credit is a special tax benefit for people who work full- or part-time. If you qualify, you'll owe less in taxes, and you may get cash back. Even if you don't owe income tax you can get the credit. But, you must file a federal tax return.

Who can get the Earned Income Credit?

- Single or married workers who were raising children in their homes, and who earned less than \$25,296 in 1994 (or less than \$23,755 if they were raising only one child). File form 1040 or 1040A, attach Schedule EIC.
- Single or married workers at least age 25 and under age 65, who were not raising children in their homes, and who earned less than \$9,000 in 1994. File any tax form.



THE 1995
EARNED
INCOME
CREDIT
CAMPAIGN

!!Trabajadores!! Pongan

DINERO EXTRA en sus bolsillos



Para recibir información sobre cómo recibir el Crédito de Ingreso de Trabajo y asistencia gratuita para declarar sus impuestos, llame al IRS al 1-800-829-1040.



**¡Quédese con toda la devolución de impuestos este año!
¡Sea Inteligente, Ahorre Dinero!** Los trabajadores que ganen salarios modestos pueden recibir ayuda gratuita para llenar los formularios de declaración de impuestos. Para enterarse de la localización de la oficina más cercana a usted, llame al **1-800-829-1040**.

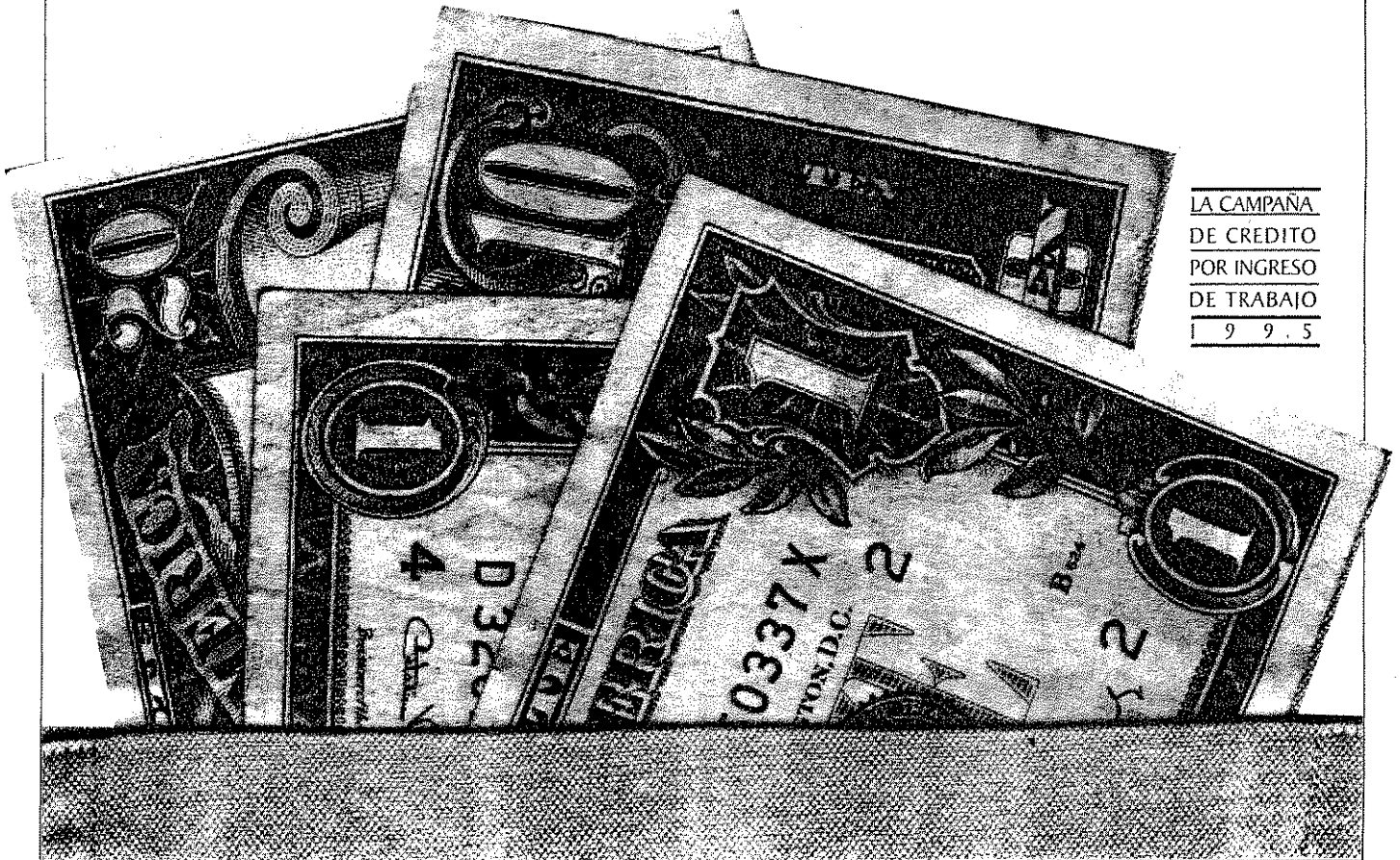
¡Recuerde! Conseguir una devolución rápida del dinero de impuestos es la manera más cara de presentar la declaración de impuestos. Recibir la devolución rápidamente le resta dinero de su Crédito EIC o de cualquier otra devolución de impuestos a la que tenga derecho.

Reclame Su Crédito por Ingreso de Trabajo (o Crédito EIC) ¡Un Beneficio Fiscal para Gente Que Trabaja!

El crédito por Ingreso de Trabajo es un beneficio fiscal especial para gente que trabaja a tiempo completo o a tiempo parcial. Si usted califica, reducirán sus impuestos, y podría recibir dinero de vuelta. Incluso si usted no debe impuestos, puede obtener el Crédito EIC. Pero tiene que presentar una declaración de impuestos.

¿Quién puede recibir el Crédito por Ingreso de Trabajo?

- Los trabajadores solteros o casados que criaron a niños en su hogar, y que ganaron menos de \$25,296 en 1994 (o menos de \$23,755 si criaron a sólo un niño). Presente el Formulario 1040 o el 1040A e incluya el formulario llamado "Schedule EIC".
- Trabajadores solteros o casados que tenían entre 25 y 64 años de edad, que no criaron a niños en su hogar y que ganaron menos de \$9,000 en 1994. Presente cualquier formulario de impuestos.



LA CAMPAÑA
DE CREDITO
POR INGRESO
DE TRABAJO
1 9 9 5


Earned Income Credit Envelope Stuffer

This English-Spanish envelope stuffer can be copied and mailed with paychecks, public assistance checks, bills and other mailings. Local phone and utility companies, for example, might send copies with their December, 1994 or early 1995 bills to customers. For more ideas on using the envelope stuffers, see the Strategy Guide in the EIC campaign kit.

TRIM

TRIM

**Claim Your
Earned Income Credit**
A Tax Benefit for People Who Work



WORKERS!
Put Some Extra
MONEY
in Your Pocket!!

You could be eligible!
Did you work in 1994? You may be eligible for the Earned Income Credit. If so, you'll owe less in taxes, and you could get cash back. Even if you don't owe income tax, you can get the EIC!

- Were you raising one child in your home in 1994? Did your family earn less than \$23,755? You can get up to **\$2,038**.
- Were you raising more than one child in your home in 1994? Did your family earn less than \$25,296? You can get up to **\$2,528**.
- If you weren't raising a child, did you earn less than \$9,000 in 1994? Were you between ages 25 and 64? You can get up to **\$306**.

Here's how you get it:

- If you were raising children in 1994, file federal tax return Forms 1040 or 1040A, not Form 1040EZ. Be sure to attach Schedule EIC.
- If you weren't raising children in 1994, just file any federal tax return.

Good news! In almost all cases, the EIC does not affect benefits like AFDC, food stamps, SSI, Medicaid or public housing.

Want more information? Want to find out how you can get your tax forms filled out for free? Call the IRS toll-free at **1-800-829-1040**.

THE 1995
EARNED
INCOME
CREDIT
CAMPAIGN

TRIM

TRIM

RECLAME SU CREDITO POR INGRESO DE TRABAJO
LA CAMPAÑA DE CREDITO POR INGRESO POR TRABAJO 1995

Un Beneficio Fiscal para Gente Que Trabaja - Usted calificaria

• Trabajo en 1994? Usted calificaria para recibir el Credito por Ingreso de Trabajo ("Earned Income Credit" o EIC). Si es así, reducirán sus impuestos y podria recibir dinero de vuelta. Incluso si no debe impuestos, usted puede recibir el EIC!

• ¿Crió a un niño en su hogar en 1994? ¿Cano su familia menos de \$23,755? Usted puede recibir hasta **\$2,038**.

• ¿Crió usted a mas de un niño en su hogar en 1994? ¿Cano su familia menos de \$25,296? Usted puede recibir hasta **\$2,528**.

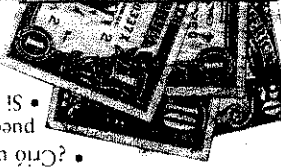
• Si usted no crió a un niño, ¿gano menos de \$9,000 en 1994? ¿Tenia usted entre 25 y 64 años de edad? Usted puede recibir hasta **\$306**.

Esta es la manera de recibir el dinero:

- Si usted crió a niños en su hogar en 1994, presente el Formulario de devolución de impuestos 1040 o 1040A, no el Formulario 1040EZ. Asegurese de incluir el Formulario llamado "Schedule EIC".
- Si no crió a niños en su hogar en 1994, presente cualquier formulario de declaración de impuestos federales.

¡Buenas noticias! En casi todos los casos, el EIC no afecta a los beneficios como el AFDC, cupones de alimentos, SSI, Medicaid o vivienda pública.

¿Necesita mas informacion? ¿Quiere enterarse de cómo puede conseguir ayuda gratuita para llenar los formularios de declaración de impuestos? Llame al IRS gratuitamente al **1-800-829-1040**.



DINERO EXTRA
Llame al IRS
en sus bolsillos

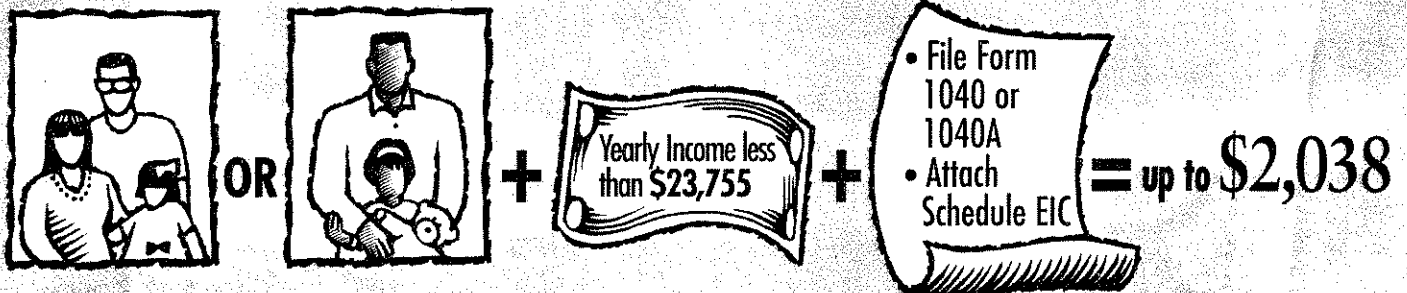
TRIM

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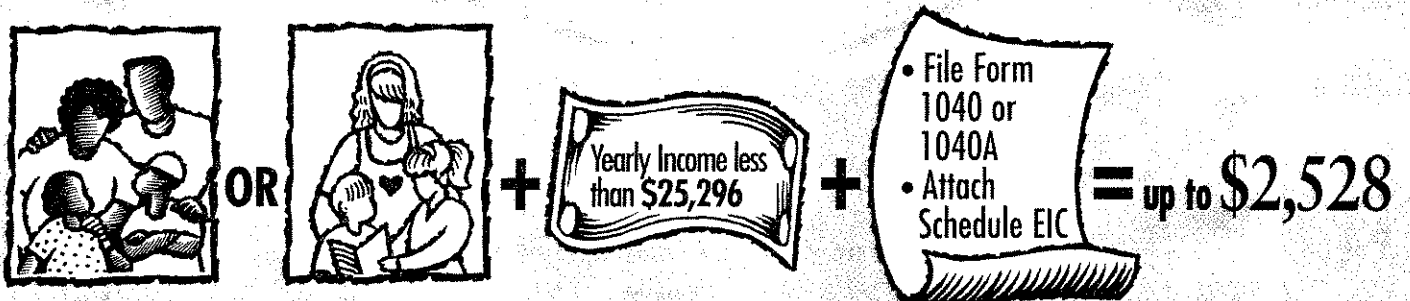
The two-sided EIC envelope stuffer is easily reproduced on an office copier. There are two stuffers on each page to save you money on paper and copying. Make copies on one side, then turn your paper over and run it through again to have stuffers with English on one side and Spanish on the other. When trimmed, the stuffers should fit in just about any size envelope.

Put Some Extra Money in your Pocket!! Claim Your Earned Income Credit

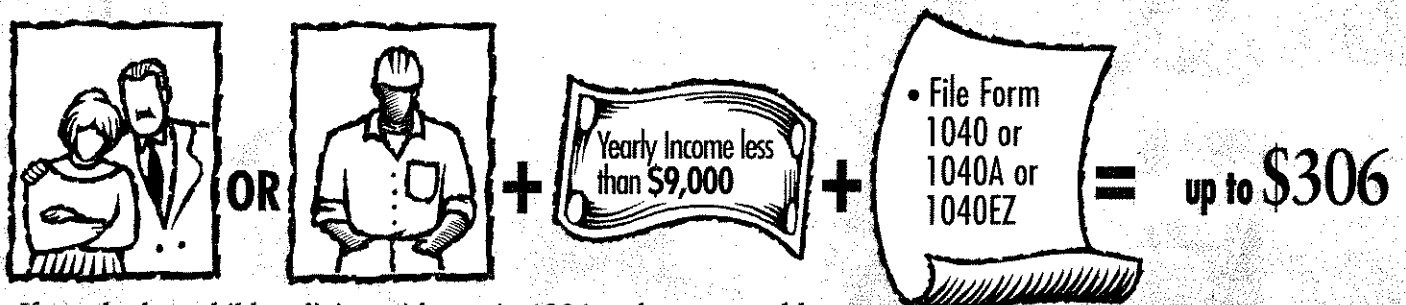
A Tax Benefit for People Who Work



If you lived with one child in 1994 and your family earned less than \$23,755, you can get up to \$2,038.



If you lived with two or more children in 1994 and your family earned less than \$25,296, you can get up to \$2,528.

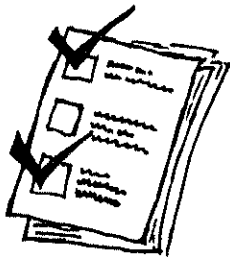


If you had no children living with you in 1994 and you earned less than \$9,000, AND you were between ages 25 and 64, you can get up to \$306.



The IRS is Going to Give Me Money?

Yes!! The Earned Income Credit (EIC) is a special tax benefit only for people who work full- or part-time. If you qualify, you'll owe less in taxes and you may get cash back. Even if you don't owe income tax you can get the EIC. But, you must file a tax return. Starting this year, even workers who aren't raising children can get the EIC!



Get the Earned Income Credit By Filing a Federal Tax Return

If you were raising children in your home in 1994: File Form 1040 or 1040A, not Form 1040EZ. Be sure to attach Schedule EIC.

If you were not raising children in your home in 1994: File Form 1040, 1040A or 1040EZ. You don't need to file Schedule EIC.

Questions & Answers About the Earned Income Credit

What if I don't know how to file a tax return?

To get free help filing your tax return and for more information about the Earned Income Credit, call the IRS at 1-800-829-1040.

What if I haven't filed a tax return in a long while?

You can still get the EIC. If you were eligible you can claim the EIC for three years back. Call the IRS to find out how. If you owe back taxes, the EIC may lower your tax bill. You may also be able to work out a payment agreement.

Can I get a quick refund with my Earned Income Credit?

Yes, but it might not be your best choice. Quick refunds take away money from your EIC. Remember, free tax help is available.

What if I'm not a U.S. citizen?

Many legal immigrants who are employed are eligible for the EIC, including *green card* holders, refugees, and others legally authorized to work. Getting the credit will not hurt your immigration status.

I work and get public assistance benefits. If I get the EIC, will I lose my other benefits?

In most cases no. The EIC does not affect benefits like AFDC, Food Stamps, SSI, Medicaid or housing.



Get Free Help Filing Your Taxes!!!

VITA, a program of the IRS, helps people fill out their tax forms for free. VITA sites are open from late January through April 15. To find the VITA site near you, call 1-800-829-1040. Be patient — the line is often busy.

¡¡PONGA DINERO EXTRA EN SU BOLSILLO!!

RECLAME SU CREDITO POR INGRESO DE TRABAJO

UN BENEFICIO FISCAL PARA GENTE QUE TRABAJA

• Llene el Formulario del IRS 1040 o 1040A,
• Adjunte el Formulario "Schedule EIC"

Si usted vivió con un niño en 1994 y su familia ganó menos de \$23,755, usted puede recibir hasta \$2,038.

• Llene el Formulario del IRS 1040 o 1040A,
• Adjunte el Formulario "Schedule EIC"

Si usted vivió con dos o más niños en 1994 y su familia ganó menos de \$25,296, usted puede recibir hasta \$2,528

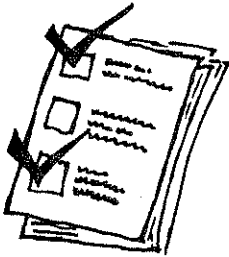
• Llene el Formulario del IRS 1040 o 1040A o 1040EZ

Si con usted no vivió ningún niño en 1994 y ganó menos de \$9,000, Y si usted tenía entre 25 y 64 años, puede recibir hasta \$306.



¿El IRS ("Internal Revenue Service" o Servicio de Recaudación de Impuesto) Me Va a Dar Dinero a Mí?

¡¡Sí!! El Crédito por Ingreso de Trabajo (EIC o "Earned Income Credit") es un beneficio fiscal especial sólo para gente que trabaja a tiempo completo o a tiempo parcial. Si usted califica, reducirán sus impuestos y podría recibir dinero de vuelta. Incluso si no debe impuestos puede recibir el EIC. Pero tiene que presentar un formulario de devolución de impuestos. A partir de este año, ¡incluso los trabajadores que no están criando a niños pueden recibir el EIC!



Reciba el Crédito por Ingreso de Trabajo al Presentar un Formulario de Devolución de Impuestos Federales

Si usted crió a niños en su hogar en 1994: Llene el Formulario 1040 o 1040A, no el Formulario 1040EZ. Asegúrese de incluir el Formulario "Schedule EIC".

Si usted no crió a niños en su hogar en 1994: Llene el Formulario 1040, 1040A o el 1040EZ. No tiene que llenar el Formulario "Schedule EIC".

Preguntas y Respuestas sobre el Crédito por Ingreso de Trabajo (o Crédito EIC)

¿Qué hago si no sé cómo llenar un formulario de devolución de impuestos?

Para conseguir ayuda gratuita para llenar el formulario de devolución de impuestos y para recibir más información sobre el Crédito EIC, llame al IRS al 1-800-829-1040.

¿Qué ocurre si no he presentado un formulario de devolución de impuestos en mucho tiempo?

Aún así puede recibir el EIC. Si usted calificaba, puede reclamar el EIC por los últimos tres años. Llame al IRS para enterarse de cómo hacerlo. Si debe impuestos retrasados, el EIC puede reducir la cantidad debida. También es posible que pueda arreglar un acuerdo de pago.

¿Puedo recibir una devolución rápida con mi Crédito por Ingreso de Trabajo?

Sí, pero puede que no sea la mejor opción. Las devoluciones rápidas restan dinero de su EIC. Recuerde, puede conseguir asistencia gratuita sobre impuestos.

¿Qué ocurre si no soy un ciudadano de Estados Unidos?

Muchos inmigrantes documentados que están empleados califican para el EIC, incluyendo a quienes tengan la tarjeta verde, refugiados y otras personas autorizadas legalmente a trabajar. Recibir el crédito no afectará a su estado migratorio.

Yo trabajo y recibo beneficios de asistencia pública. Si recibo el EIC, ¿perderé mis otros beneficios?

En la mayoría de los casos, no. El EIC no afecta a los beneficios como el AFDC, cupones de alimentos, SSI, Medicaid o vivienda pública.

¡¡¡Obtenga Asistencia Gratuita para Declarar sus Impuestos!!!

VITA, un programa del IRS, ayuda a aquellos interesados a llenar los formularios de impuestos gratuitamente. Las oficinas de VITA están abiertas desde finales de enero hasta el 15 de abril. Para enterarse de la localización de la oficina de VITA más cercana, llame al 1-800-829-1040. Tenga paciencia, pues el número está ocupado a menudo.



WESTERN REGION
INTERNAL REVENUE SERVICE
TAX PAYER EDUCATION COORDINATORS

<u>CONTACT</u>	<u>MAILING ADDRESS</u>	<u>PHYSICAL ADDRESS</u>	<u>PHONE</u>
Rich Harris Laguna Niguel	P O BOX 30210 Laguna Niguel CA 92607-0210	24000 Avila Rd. Laguna Niguel CA 92656-3491	(714) 643-4060 (714) 643-4442 (fax)
Chris Orozco Los Angeles	300 N. Los Angeles Rm 5202 Los Angeles CA 90012	300 N. Los Angeles Rm 5202 Los Angeles CA 90012	(213) 894-4574 (213) 894-0034 (fax)
Shirley Leeman Sacramento	P O BOX 2900 #SA5650 Sacramento CA 95812	4330 Watt Avenue #SA5650 North Highlands CA 95660	(916) 974-5088 (916) 973-5902 (fax)
Carrie Lawrence San Francisco	1301 Clay Street Ste. 1500 S Oakland CA 94612-5210	1301 Clay St. Ste. 1500 S Oakland CA 94612-5210	(510) 637-2473 (510) 637-2508 (fax)
Barbara Spalinger San Jose	P O BOX 100 HQ-6300 San Jose CA 95113	55 S. Market St. HQ-6300 San Jose CA 95113	(408) 494-8123 (408) 494-8062 (fax)