

Helping HUD-assisted Residents Make the American Rescue Plan Work for Them

Economic Impact Payments, Resources, Scams and
What it Means for HUD-assisted Families



Engaging with Volunteer Tax Assistance (VITA) Centers for Tax Prep / Earned Income Tax Credit

Your Presenters:

Amelia Dalton
Senior Tax Analyst
HQ National Partnerships
Internal Revenue Service (IRS)

David Sieminski
Senior Policy Analyst
Office of Community Affairs
Consumer Financial Protection Bureau (CFPB)

Nicole Thompson
Interim Director
Family & Community Partnerships
Oakland Housing Authority (OHA)





Earned Income Tax Credit (EITC) & Volunteer Income Tax Assistance (VITA)



Internal Revenue Service

- Wage and Investment (W&I) Division provides tax return processing, compliance, and customer service for virtually 123 million individual taxpayers.
- Stakeholder Partnerships, Education & Communication (SPEC) is the outreach and education function of the Wage and Investment Division of the IRS.



SPEC'S BUSINESS MODEL

SPEC's Business Model is leveraged through client-based organizations. The model integrates tax education and free tax preparation with other strategies promoted by partners to increase income, build savings, and gain and sustain assets for targeted SPEC taxpayers.

SPEC Business Model





National Partners and Coalitions

- National and regional partners are larger organizations with a presence in more than one state or SPEC territory. These partners are supported by SPEC's National Partnerships group.
- SPEC currently partners with nearly 3,000 national and local partner organizations of all types:
 - Corporate
 - Faith-based
 - Nonprofit
 - Educational





Earned Income Tax Credit

The Earned Income Tax Credit (EITC) helps low- to moderate-income workers and families get a tax break. If you qualify, you can use the credit to reduce the taxes you owe – and maybe increase your refund.



Basic Qualifying Rules

To qualify for the EITC, you must:

- Show proof of earned income
- Have investment income below \$3,650 in the tax year you claim the credit
- Have a valid Social Security number
- Claim a certain filing status
- Be a U.S. citizen or a resident alien all year



Maximum Credit Amounts

The maximum amount of credit you can claim 2020

- No qualifying children: \$538
- 1 qualifying child: \$3,584
- 2 qualifying children: \$5,920
- 3 or more qualifying children: \$6,660

Note: The amounts will be different for next year (2021) and the we will release updated informationon [irs.gov](https://www.irs.gov) once it is finalized.



2020 -Earned Income Tax Credit

Maximum Credit Amounts Adjusted Gross Income (AGI) for 2020		
Children or Relatives Claimed	Maximum AGI	Maximum AGI
	(filing as Single, Head of Household or Widowed)	(filing as Married Filing Jointly)
Zero	\$15,820	\$21,710
One	\$41,756	\$47,646
Two	\$47,440	\$53,330
Three	\$50,594	\$56,844

Note: The amounts will be different for next year (2021) and the we will release updated informationon [irs.gov](https://www.irs.gov) once it is finalized.



What is the “Lookback” Rule

For Tax Year 2020, if you earned less in 2020 than in 2019, you can “lookback” to use your 2019 income or use your 2020 income when claiming the Earned Income Tax Credit (EITC) or Additional Child Tax Credit (ACTC) on your taxes.



Volunteer Income Tax Assistance (VITA)

- Provides free in-person tax preparation services, in the community, at a broad array of locations
- Services are available to low- to moderate-income taxpayers – generally \$57,000 and below
- Utilizes IRS-certified volunteers recruited and supported by partner organizations
- Volunteers are trained to claim the Earned Income Tax Credit and other favorable tax provisions for which the individual may qualify
- Services are **FREE**



Tax Preparation Services

- Traditional Volunteer Income Tax Assistance (VITA) Program
- Tax Counseling for the Elderly (TCE)
- Facilitated Self-Assistance (FSA)
- Virtual VITA
- Foreign Students & Scholars Program



Unemployment

The legislation, signed on March 11, allows taxpayers who earned less than \$150,000 in modified adjusted gross income to exclude unemployment compensation up to \$20,400 if married filing jointly and \$10,200 for all other eligible taxpayers. The legislation excludes only 2020 unemployment benefits from taxes.



Tax Counseling For Elderly (TCE)

- Originated as a result of the Revenue Act of 1978
- Provides service primarily to seniors age 60 and older
- Prepares more complex tax returns
- Receives IRS VITA grant funds
 - Non-profit sponsors
 - Largest grant sponsor is AARP Foundation Tax-Aide



Get Free Tax Preparation

To locate the nearest sites:

- Volunteer Income Tax Assistance
 - (VITA) Locator (<https://irs.gov/VITA>) or call 1(800)906-9887.
- Tax Counseling for the Elderly (TCE)
 - AARP Site Locator Tool
(secure.aarp.org/applications/VMISLocator/searchTaxAideLocations.actions) or call 1(888)227-7669.



IRS “Free File”



Provides two filing choices:

- Free File software
 - Self-paced, step-by-step guidance to file and to claim favorable tax provisions
 - Available, at no cost, to any tax filer with annual gross income of \$72,000 or less
 - www.irs.gov/FreeFile
- Free File fillable forms
 - Fillable forms for tax filers to complete their taxes and e-file
 - Available, at no cost, to any tax filer, regardless of income



Where's My Refund

Refund Status

Get Refund Status

[Obtener Estado de Reem](#)

Please enter your Social Security Number, your Filing Status and the refund amount as shown on your tax return.

*See our [Privacy Notice](#) regarding our request for your personal information.

Social Security Number

You must enter the [SSN or IRS Individual Taxpayer Identification Number](#) shown on your tax return.

 - -

Filing Status

Please select the [Filing Status](#) shown on your tax return.

- ☐ Single
 - ☐ Married-Filing Joint Return
 - ☐ Married-Filing Separate Return
 - ☐ Head of Household
 - ☐ Qualifying Widow(er)
-

Refund Amount

You must enter the exact whole dollar [Refund Amount](#) shown on your tax return. Providing the exact whole dollar amount is essential to receiving the correct response.

\$

Submit



IRS2Go Mobile App

- IRS2Go is the official mobile app of the IRS and is available in both English and Spanish
- www.irs.gov/uac/IRS2GoApp
 - Refund Status
 - Make a Payment
 - Find Free Tax Preparation Sites
 - Stay Connected



Additional Information

- Tax deadline extended to May 17
- To receive refunds the fastest use direct deposit
- FDIC link to Get Banked
(<https://www.fdic.gov/getbanked/index.html>)
- For the most up-to-date guidance go to [irs.gov](https://www.irs.gov)



“What You Can Do To Help”

Get Involved

- Volunteer Recruitment
- Outreach and Education
- Financial Education and Asset Building
- Refer Individuals to Free Tax Preparation Sites



Thank You!

For questions, feel free to contact us:

Amelia Dalton

Senior Tax Analyst

HQ National Partnerships

Phone: (470)639-2864

Email: Amelia.Dalton@irs.gov

Have a SPECtacular Day!!

Filing a tax return in 2020 to claim the EIP and other tax benefits

Reasons to file a tax return in 2021

- Claim Economic Impact Payments (EIP) if you did not yet receive them
- Claim a refund of over withholding if you had earned income in 2020
- Claim the Earned Income Tax Credit (EITC) if eligible
- Claim the Child Tax Credit (CTC) if eligible

<https://www.consumerfinance.gov/about-us/blog/get-the-most-out-of-your-tax-refund-in-2021/>

Get the most out of your tax refund in 2021

By [Valentin Mihalache](#) and [Dave Sieminski](#) - FEB 08, 2021

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The coronavirus pandemic continues to put a huge strain on household finances. Even in a normal year, a tax refund may be the biggest check you receive all year.

This year, if you qualify for the Earned Income Tax Credit (EITC) or the Child Tax Credit (CTC), the Internal Revenue Service (IRS) is allowing you to choose whether to use your 2019 or 2020 income to receive the most credits for which you are eligible. By filing your taxes, you can also make sure you get any stimulus money you may not have received.

We encourage you to file your taxes as soon as you can to take advantage of this money.

Benefits of filing a federal tax return in 2021

Even if you are not required to file federal taxes, doing so this year may be the only way to get back any money that was withheld from your wages (a refund), plus cash in on key benefits and stimulus payments (also known as Economic Impact Payments [EIP]).

If you don't normally file taxes, you don't have to do it on your own.

[There is free tax help available to you.](#)

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This post includes references to third-party resources or content that consumers may find helpful. The Bureau does not control or guarantee the accuracy of the third-party information. By listing these references, the Bureau is not endorsing and has not vetted these third parties, the views they express, or the products or services they offer. Other entities and resources also may meet your needs.

RESOURCES FOR TAX PREPARERS

Use our resources to [encourage taxpayers to save part of their refund.](#)

FURTHER READING

Blog

[Experiment suggests people pay down debt but keep savings cushion](#)

JAN 26, 2021

[Preparedness means rebuilding toward a brighter future with emergency savings](#)

Guide to COVID Economic Impact Payments (EIP)

Answers to questions for all three rounds of EIP

- How much could I receive?
- How do I know if I'm eligible?
- How will I receive my payment?
- What can I do if I haven't received my payment or if I'm eligible to receive more?
- What do I do if my bank or credit union has taken my EIP to cover fees or overdrafts?
- How do I check the status of my payment?

<https://www.consumerfinance.gov/coronavirus/managing-your-finances/guide-economic-impact-payments/>

Your Guide to Economic Impact Payments

[Español](#) | [繁體中文](#) | [简体中文](#) | [Tiếng Việt](#) | [한국어](#) | [Tagalog](#)

During the COVID-19 pandemic, the federal government has passed three major pieces of legislation to provide financial relief to individuals and families. The American Recovery Plan Act (ARPA) provides the most recent round of Economic Impact Payments, also referred to as stimulus payments, to millions of Americans.

While payments are currently being distributed through the Internal Revenue Service (IRS) to eligible recipients, there are still millions of people who haven't received the first or second payments and may not receive the third because the IRS does not have their account information or address. If you haven't received one or multiple payments, you still have an opportunity to claim the financial relief you're eligible for, but you must take action by filing a tax return or filing for an extension **by May 17, 2021**.

Here's our complete guide to the COVID-19 Economic Impact Payments (EIPs).

- [How much could I receive?](#)
- [How do I know if I'm eligible?](#)
- [How will I receive my payments?](#)
- [What can I do if I haven't received my payment or if I'm eligible to receive more?](#)
- [What do I do if my bank or credit union has charged my account fees when I got the EIP?](#)
- [How do I check the status of my payment?](#)
- [Beware of scammers pretending to be the IRS](#)

FEDERAL CORONAVIRUS RESOURCES

White House Coronavirus Task Force

Information about COVID-19 from the White House Coronavirus Task Force in conjunction with CDC, HHS, and other agency stakeholders.

[Visit coronavirus.gov](https://www.coronavirus.gov) 


Centers for Disease Control and Prevention


The latest public health and safety information for United States consumers and the medical and health provider community on COVID-19.

[Visit the CDC COVID-19 page](#) 

USAGov

Information on what the U.S. Government is doing in response to COVID-19.

[Visit usa.gov \(English\)](#) 

[Visit usa.gov \(Spanish\)](#) 

STAY INFORMED

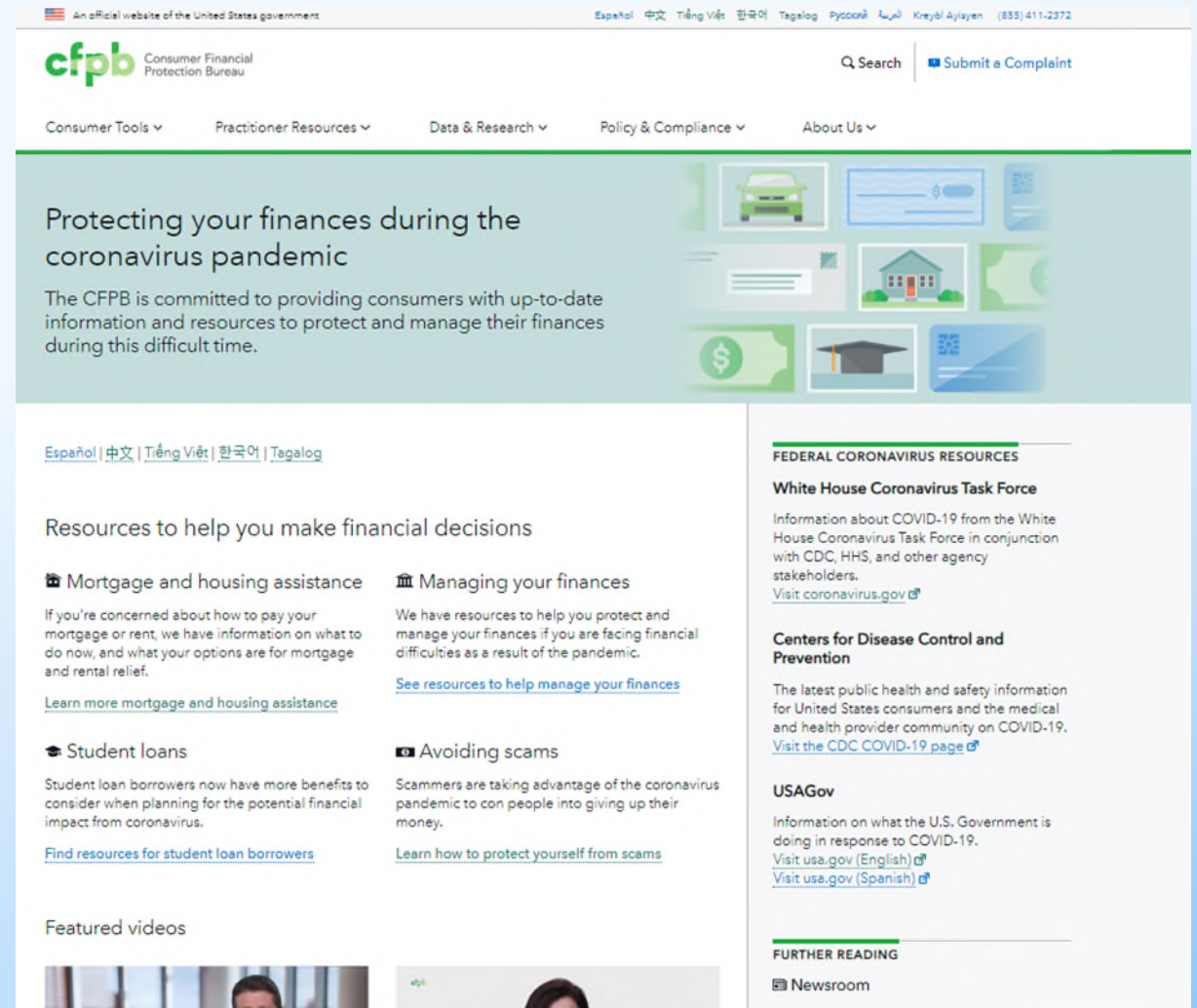
Sign up for the latest financial tips and

Preview of tax law changes coming soon

- Changes to Child Tax Credit to increase amount and the way it is distributed
- Changes to Earned Income Tax Credit to make more people eligible and increase the amount for single filers
- Changes to Child and Dependent Care Tax Credit
 - **Make sure to inform people they should keep their receipts for any childcare expenses**
 - **More information to come!**

consumerfinance.gov/coronavirus

- Central hub on consumerfinance.gov
- Resources in English and Spanish, Chinese, Vietnamese, Korean, Tagalog
- Short videos
- Printer-friendly PDFs for Asian languages + MP3 audio files
- Check back for updates



The Oakland Housing Authority VITA Site

By Nicole Thompson

Interim Director of Family and Comm. Partnerships

Benefits of connecting residents with VITA

- Taxpayers eligible to participate in the VITA program may also qualify for the Earned Income Tax and Child Tax credits. These credits can put an additional amount up to \$5,000.00 into the hands of qualifying families.
- Residents become banked if VITA is in partnership Credit Union.
- Residents can start saving accounts with tax return refund.
- Start to build or restore bad credit by participating in small loan program offered through Credit Union.

How does VITA Work?

- Filing is Free, Easy, and Fast
- VITA will prepare taxes in a friendly and professional manner
- VITA also prepares taxes electronically
- With VITA refunds arrive within 7 to 10 days using direct deposit

Site Locations

Public Housing Sites

- Resident community rooms
- On-site computer labs
- PHA staff offices
- Local libraries
- Community Centers
- Recreation Centers

Resources Needed

- Computer Lab or office space
- Printer and Scanner
- Tax Software
- Internet Connection-DSL/High Speed
- Volunteers and staff willing to be trained

Training Needed to be a VITA preparer

On-line FREE Certification

- Must complete several training modules and pass test at the end to become certified

Computer Certification via Link and Learn Access

- All training includes tax law, software, and quality training

Technical Assistance Available

- IRS
- Tax Consultant Assigned to your County
- Free Field Guide to Starting a Volunteer Tax Prep Site can be found online in your state

PHA VITA Site Benefits

- Assist underserved communities
- Create a network of volunteers to leverage resources for your families
- Offers residents a trusted alternative to paying tax preparation fees.
- Tax return refunds can serve as the starting point for residents to create financial security
- Residents become educated taxpayers on the different tax credits and deductions for which they qualify
- Increase residents to become banked
- Reduce residents from using Check Cashing businesses with high fees

OHA VITA Site Achievements

- Expanded financial services to PHA families with no to low cost fees through the credit union partnership
- Reduce residents from going to check cashing businesses for their financial needs that promote predatory lending products
- Residents saved money by getting their tax return prepared for FREE and receive refund with 7-10 days by direct deposit
- Residents were able to receive their Stimulus checks faster since they have a bank account
- Services offered in their community for those who lack transportation
- Increase residents to program participation

Lessons Learned

- Start marketing campaign of the VITA site early in November, at least 90 days before taxes can be files
- Pre-schedule tax appointments with residents early January to ensure residents avoid going to tax preparers that charge fees
- Make sure marketing material reflect the population you serve and list the benefits of the VITA site services
- Use various outreach methods, flyers, text, posters in PHA buildings and social media if available
- Recruit a diverse group of volunteers throughout the year to support your VITA sites to offer multiple languages, evening and weekend hours and to reduce your staff support

For More Information Contact our Presenters



Amelia Dalton
Senior Tax Analyst
HQ National Partnerships
amelia.dalton@irs.gov



David Sieminski
Senior Policy Analyst
Office of Community Affairs
david.sieminski@cfpb.gov



Nicole Thompson
Interim Director
Family & Community Partnerships
nthompson@oakha.org

All presentations will be posted on the [HUD Strong Families](#) website when available.

THANK YOU!

