









YOU WORK HARD IN LIFE: TAKE CREDIT! FILE YOUR TAXES TO GET THE MONEY YOU DESERVE

FAQ FOR YOUNG ADULTS WITH EXPERIENCE IN FOSTER CARE OR HOMELESSNESS

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1. Why is it worth your time to file your taxes this year?

There is a lot of money that young adults between the ages of 18 and 24 are eligible for this tax year and you need to file your taxes to get this money \$\$\$\$\$. Young people who are aged 18 and over are eligible for these payments if no one can claim them as dependent. These opportunities apply to all states and U.S. territories. Here are a few things you may be eligible for:

- EITC (Earned Income Tax Credit): Young people ages 18 or older who are or have been in foster care or homeless may be eligible for the EITC if they made any money from work last year.
- CTC (Child Tax Credit): Young people who are parenting may also be eligible for the CTC and can receive it even if they did not make any income last year.
- EIPs (Economic Impact Payments): Young people may also be eligible for any of the EIPs, also
 referred to as stimulus checks, that they have not yet received. You are eligible for EIPs even if
 you did not make any money last year.
- 2. How much money can I get if I am eligible for the EITC?

For an individual worker without kids, the maximum EITC is \$1,502. For a working parent, the maximum EITC is \$3,618 for one child, \$5,980 for 2 kids, and \$6,728 for 3+ kids. The actual amount you receive depends on how much you earned.

3. Are young adults who are age 18 - 24 who have <u>experienced foster care</u> or <u>homelessness</u>, or who are <u>self-supporting and at risk of homelessness</u>, eligible for the EITC even if they don't have children and are full time students?

Yes! This is a temporary change for this tax year and aims to help young people with experience in foster care, unaccompanied homeless youth, and young people at risk of homelessness.

- You are considered to be a **foster youth** if you are in foster care or were in foster care when you were age 14 or older.
- You are considered to be an unaccompanied homeless youth if you are not in the physical
 custody of a parent or guardian and you stayed at shelters, campgrounds, cars, in motels, or
 temporarily with other people ("couch surfing").
- You are considered self-supporting and at risk of homelessness if you pay for your own living expenses, including housing, and may face a loss of housing or have no other stable housing arrangement.
- 4. Do I have to provide any documentation that I have experience in foster care, am an unaccompanied youth or am self-supporting and at risk of homelessness?

No. All you need to do is check the Box on Question 27A to tell the IRS that you are or were in foster care or are or were experiencing homelessness

5. How much can I get if I am a parent and I live with and support my child?

The maximum EITC for a working parent is \$3,618 for one child, \$5,980 for 2 kids, and \$6,728 for 3+ kids. The actual amount you receive depends on how much you earned.











The **Child Tax Credit** provides up to \$3,600 per child per year aged 0-5 and up to \$3,000 for a child for the year aged 6-17 in 2021. You can get this credit even if you had no earned income. If you received some advanced monthly payments in 2021, you need to file your taxes to get the rest of your credit. (If you received a portion of your CTC payments already, you should receive a letter called Letter 6419 that explains how much you received.) If you didn't get the advance CTC payments in 2021, you can get your full credit when you file your taxes.

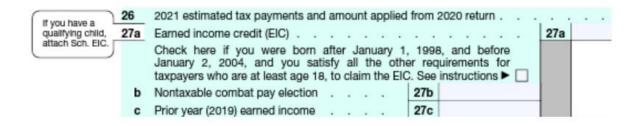
If you work and pay for child care, you may also be eligible for the Child and Dependent Care Tax Credit.

6. How much money can I get if I did not receive all of my stimulus checks (Economic Impact Payments)?

If you are eligible for the three rounds of Economic Impact Payments—stimulus checks— that were provided in the last two years, you may be able to get them by filing your taxes. The first EIP was \$1200, the second was \$600, and the third payment is \$1400. If you have children, you may be eligible for even more money. You can claim the third payment on your 2021 taxes. To claim these payments, you will need to file your taxes.

7. Can you tell me about Question 27A and why it is important to answer?

Yes! Make sure you Check the Box on Question 27A if you are or were in foster care or are or were experiencing homelessness. This will help the IRS know that you qualify for the EITC provisions for young people with experience in foster care and homelessness. Checking this box will help make sure you get your money in the case that someone else incorrectly claims you on their tax returns and allows child welfare agencies to share information with the IRS that confirms your status as a foster youth.



8. How do I get help filing my taxes from a person who can work with me directly?

VITA sites, which are programs that provide no cost tax preparation assistance, may be available in person or virtually. You can find VITA sites in your area here: https://www.getyourrefund.org/en/vita providers. You can also call 2-1-1 and ask for a free tax filing service near you.

9. How can I get help if I want to file taxes on my own?

You can get help through GetYourRefund. This website can be found at: https://www.getyourrefund.org/en/questions/welcome. It will help you find help that you can receive online or forms to help you file your taxes.











10. What if someone filed as me or claimed me on their taxes and my return was rejected?

If someone filed as you or claimed you as a dependent before you had the chance to file your taxes, the IRS will not accept your electronic return. You will need to file your taxes by mail. Once you have submitted your tax return by mail, the IRS will begin investigating. You will then receive a letter in the mail from the IRS that asks for more information, and so will the other tax filer.

Generally, there are two ways this could happen: somebody you know claimed you incorrectly—possibly a parent or caregiver—or somebody you don't know used your social security number or claimed you when they should not have. The IRS will not tell you who claimed you as a dependent, but if you know who improperly claimed you and feel comfortable reaching out to them directly, you can ask them to file an amended return to fix the problem.

If you think that someone is filing as you or claiming you as a dependent who should not be legally doing so please talk to your attorney if you have one. You can call the IRS Identity Theft hotline number at 1-800-908-4490. Check out this article for more information on this issue.

You can apply for an Identity Protection Personal Identification Number (IP PIN) to protect your ability to file on your own behalf. If you receive an IP PIN, you must use that PIN to file taxes electronically. If the PIN is lost and cannot be retrieved, you would need to file by paper. The IP PIN application is available at www.irs.gov/getanippin. You can access the application to enroll into the IP PIN Program, or if you are already enrolled, you can retrieve/view their IP PIN.

11. Can I get the tax credits mentioned in this FAQ if I am not a U.S. citizen?

If you have a work-authorized social security number (SSN), including under Deferred Action for Childhood Arrivals (DACA), you can claim any of these tax credits or benefits.

If you do not have a work-authorized social security number, you cannot claim these credits for yourself, but you may be able to claim the Child Tax Credit or the third stimulus payment for your children if they have social security numbers. You will need to have, or apply for, an Individual Taxpayer Identification Number (ITIN) to claim these credits. If you do not have an SSN, you cannot claim the federal EITC, although some states allow taxpayers with ITINs to claim their state EITCs.

12. Will getting any of these tax credits impact my eligibility for benefits like SNAP, TANF, SSI, and Medicaid?

No. Tax credits cannot be counted as income in determining eligibility for, or the amount of, any federally funded public benefit program, including Supplemental Nutrition Assistance Program (SNAP) food assistance, low-income housing, Medicaid, Supplemental Security Income (SSI), and Temporary Assistance for Needy Families (TANF).

13. Will I have to pay taxes on any of these credits?

No!











14. Are there any other tips to prepare me for filing my taxes?

Tip One: Get the following documents ready before you file.

Vital Documents and Information:

- Your state or other identification
- Your Address
- Your Social Security Number or ITIN
- Bank account and routing number
- Your Identity Protection PIN if you have been assigned one. If you have been assigned one, but don't know it, you may be able to retrieve it by following the instructions at: https://www.irs.gov/identity-theft-fraud-scams/retrieve-your-ip-pin

Proof of income:

- W-2: this is a document from your employer that shows how much you have made
- Form 4852: this is a form you may need to fill out if your employer did not give you a W-2
- Form 1099-NEC: If you were paid as a contractor for jobs like DoorDash or TaskRabbit, you
 may have received this form to show the amount you were paid
- Form 1099-G: this is form you should have if you received unemployment
- 1099-INT: this is a form that shows any interest you made if you have a savings account

Learn more about how to prepare to file here: https://jbay.org/wp-content/uploads/2022/02/National_Tax-Prep-

Tip Two: Enter accurate amounts to the best of your ability.

To process your return and get a refund quickly, it will help if you use the information you have about any wages you have, any stimulus funds or child tax credit that you received already. You can go online to the IRS (https://www.irs.gov/payments/your-online-account) to get the correct amount of the stimulus payments or advanced Child Tax Credit that you received.

Tip Three: Make sure to use a secure/trusted mailing address.

This will make sure you get any important information from the IRS about your money.

Tip Four: Use a free tax preparation service or online sites.

Paid preparers can cost up to \$400 that could be going to you in your cash back refund instead.

Tip Five: Have your refund direct deposited.

You can have your refund deposited into a bank account or onto a pre-paid card or payment service such as CashApp or Venmo. This is faster than having a check mailed and runs less risk that a check could be lost or stolen.

15. What if I do not have, and am not eligible to obtain, a Social Security Number?

This fact sheet from UnidosUS, the National Immigration Law Center, and CLASP provides immigrants who need to apply for Individual Taxpayer Identification Numbers (ITINs) information on how to do so. Some people need to get ITINs because they are required to file federal tax returns; others are not required to file tax returns, but will do so in order to claim the stimulus payments or child tax credits that their dependent children qualify for.