



STATE OF CALIFORNIA
Franchise Tax Board

Central Valley Wins With Expanded California Earned Income Tax Credit (CalEITC)

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Why Do We Need CalEITC?



- Census Bureau: 1 in 5 Californians lives in poverty
- To help families, Governor and Legislature created CalEITC in 2015
- FTB, IRS, nonprofits, local governments and grassroots organizations promote CalEITC



What is CalEITC?



- Cash-back tax credit that supplements federal EITC
- Family can receive thousands of dollars between both tax credits
- Money can be used for anything
- Must file tax returns to receive EITCs



What's new with CalEITC?



- For tax year 2017, CalEITC expanded so those earning up to \$22,300 may qualify, up from \$14,000 in past years
- For the first time, self-employment income can be used to qualify; W-2 income already allowed



What else do you need to qualify?



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- Filing status, number of dependents determines amount of CalEITC
- Need Social Security Number valid for work
- Must live in CA more than half of tax year
- Must **not** use “married/registered domestic partner (RDP) filing separately” filing status



How many families are now eligible?



- Expansion means additional 1.1 million families are likely eligible for CalEITC
- In total, about 1.5 million families could receive the credit



How did California benefit in 2016?

CalEITC statewide

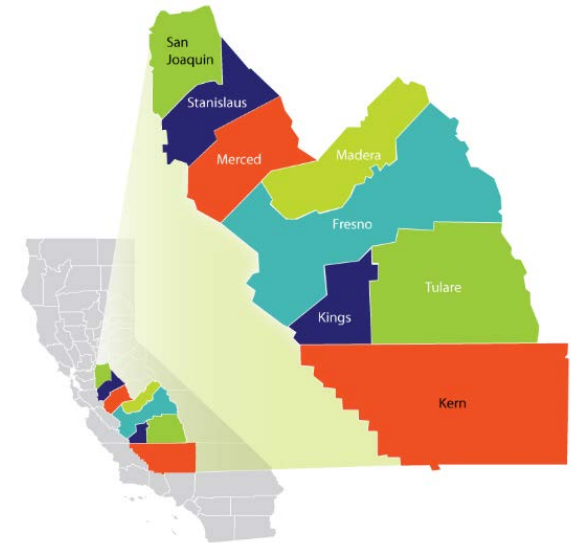
- 381,558 credits issued
- \$202,807,783 million issued
- Average credit: \$532
(As of 10/31/17)



How did the Valley benefit in 2016?

CalEITC in 8 counties of Partnership

- 57,383 credits issued
 - \$40,125,697 issued
 - Average credit: \$699
- (As of 10/31/17)



How did the Valley benefit in 2016?



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CalEITC in 8 counties of Partnership:

- Fresno: \$9.9 M
- Kern: \$8.4 M
- San Joaquin: \$5.9 M
- Stanislaus: \$5.1 M
- Tulare: \$5.0 M
- Merced: \$3.1 M
- Kings: \$1.4 M
- Madera: \$1.4 M

How did the Valley benefit in 2016?



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For CalEITC, 4 of 10 top CA ZIP codes are in Valley:

- 1) 93307 - Bakersfield: \$1,194,567
- 4) 93257 - Porterville: \$955,003
- 8) 93727 - Fresno: \$882,123
- 9) 93702 - Fresno: \$881,704

What about federal EITC?



For federal EITC, taxpayers may qualify if their total income is less than \$54,000



What about federal EITC?



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- Statewide for tax year 2015:
 - 3 million EITC credits issued
 - \$7.3 billion issued
 - Average credit: \$2,409



What's next?



- Expanded CalEITC available for 2017 tax year
- We need your help reaching those who have no filing requirement
- Visit CalEITC4Me.org for info and locations of free tax prep sites



Questions?



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