

County of San Diego, Health and Human Services Agency (HHS)
CalWORKs/CalFresh/Medi-Cal/General Relief/Cash Assistance Program for
Immigrants/County Medical Services Program Guide Special Notice

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Issue Date:

January 1, 2020

Background:

San Diego County's Earned Income Tax Credit (EITC) campaign continues to provide services annually. These materials are provided to supplement EITC outreach efforts and are revised to reflect changes each tax year.

Purpose:

The purpose of this special notice is to provide revised EITC/California EITC (CalEITC) income limits.

Policy:

Age and General EITC Eligibility

- Federal EITC is available for tax filers ages 25 to 65
- CalEITC is available to qualifying tax filers who are at least 18 years old, or (effective for the 2019 tax year) qualifying tax filers under 18 years old with qualifying children
- Claiming the federal EITC requires the Schedule EIC form
- Claiming the CalEITC requires the FTB 3514 form

California tax filers may qualify for either federal or state EITC, or both depending on their income, age, and number of children, if any. The federal/state EITCs have the same general eligibility rules:

- Must have earned income and adjusted gross income within certain limits, but must be at least \$1
- Meet certain [basic rules](#) (e.g., social security number, filing status, etc.)
- Must meet qualifying child rules, if any dependent children claimed
- Must live in California (for CalEITC) or in the United States (for federal EITC) for more than half the tax year

Federal and State EITC Maximum Income Limits for Tax Year 2019

Table 1 - Federal EITC Maximum Income and Credit Limits for 2019 Tax Year:

Number of Qualifying Children	Federal EITC Income Limits		Federal EITC Credit Limits
	Single, Head of Household or Widowed	Married Filing Jointly	
None	\$15,570	\$21,370	\$529
1	\$41,094	\$46,884	\$3,526
2	\$46,703	\$52,493	\$5,828
3 or more	\$50,162	\$55,952	\$6,557

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Table 2 - California EITC Maximum Income and Credits for 2019 Tax Year:

Number of Qualifying Children	State EITC Income Limits	State EITC Credit Limits
None	\$30,000	\$240
1	\$30,000	\$1,605
2	\$30,000	\$2,651
3 or more	\$30,000	\$2,982

Child Tax Credit and Young Child Tax Credit

The federal Child Tax Credit is \$2,000 per qualifying child. Families must have at least one child under the age of 17 at the end of the tax year and must file a federal tax return.

The Young Child Tax Credit is up to \$1,000 per family. Families must have at least one child under 6 years old at the end of the tax year and must file a California state tax return.

Procedure:

Free Tax Preparation Services

Free tax preparation services are available for low to moderate income individuals. Customers can call 2-1-1 for more information. Customers can also log on to:

- <http://www.211sandiego.org/>
- <http://www.myfreetaxes.org>
United Way online offers free state and federal tax preparation, and filing services, for households with earnings less than \$66,000
- <http://caleitc4me.org/>
- <https://www.eitc.irs.gov/>
- <https://www.irs.gov/>
The Internal Revenue Service (IRS) Volunteer Income Tax Assistance (VITA) Program offers free tax assistance to households with income of \$56,000 or less

EITC Postcards

The County of San Diego's Integrative Services Division, Economic Inclusion Team and local nonprofit Dreams for Change will coordinate distribution of EITC postcards and EITC presentations in various Family Resource Centers (FRCs) and Employment Services (ES) sites as requested. Postcards will be distributed (through the San Diego EITC Coalition partners) to ES, Refugee Employment Services (RES), Public Health Clinics, City and County libraries, schools, and Child Care contractors.

In addition, a flyer containing postcard information with VITA site locations and phone numbers is being mailed to CalWORKs, CalFresh and Medi-Cal customers.

These EITC publications:

- Strengthen state and county efforts to promote the EITC to our customer population
- Target families and individuals who qualify for EITC
- Educate and assist families on how to access EITC

FRC, ES, RES and Child Care Staff Action

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FRC and contracted staff will distribute these postcards to customers at all contacts and encourage them to contact 2-1-1 to receive free assistance to file their taxes and claim EITC and other tax credits available to them. If additional postcards are needed, FRC/ES Managers, or their designees, may contact Integrative Services at (619) 338-2799.

EITC Presentations

Dreams for Change is available to provide presentations to promote access to EITC. To schedule a presentation, contact Dreams for Change at (619) 497-0236.

Impacts:

CalWORKs

- Income
EITC payments, whether received as advanced payments or as a single payment, are exempt as income in determining CalWORKs eligibility or benefits level (CPG 44-100.H.2).
- Resource
Under Semi-Annual Reporting rules EITC payments are considered nonrecurring lump sum payments and will be treated as property in the month of receipt and any subsequent months. In addition, EITC payments are excluded as resources for 12 calendar months from the date of receipt (CPG 42-200.I.6, CPG 44-100.A.11, CPG 44-270.G.4).

CalFresh

- Income
EITC payments, whether received as advanced payments or as a single payment, are considered a lump sum payment and excluded as income for CalFresh (CFPG 63-224.10, 63-225.4).
- Resource
EITC payments are excluded as resources for 12 calendar months starting with the month of receipt (CFPG 63-203.13, 63-204.4).

Note: The resources of Categorically Eligible (CE) or Modified Categorical Eligible (MCE) households are not evaluated to determine eligibility to CalFresh (CFPG 63-201.1, 63-203.13, 63-120).

Medi-Cal

- Income
EITC payments received as tax refunds or advanced payments are exempt from consideration as income (Desk Aid 56B - Income NOT Counted for MAGI and PTC). For ABD cases, the EITC is treated as earned income (MPG 10.2.2.C).
- Resource
EITC payments are property for the month of receipt and the month following (MPG 9.6.11.A).

General Relief (GR)

GR counts EITC as income in the month received. Any portion of the refund retained by the customer in the month following receipt is considered personal property (GRPG 90-400.5.F). If a customer received General Relief during 2019, and the customer receives EITC, the case must be reviewed for potential unreported earned income.

Cash Assistance Program for Immigrants (CAPI)

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CAPI exempts EITC from consideration as income in the month received (CAPI PG 99-103.2.B). It is also exempt as a resource for 12 months following the month of receipt (CAPI PG 99-104.4.B).

County Medical Services (CMS)

CMS counts EITC as earned income in the month received (CMSPG 06.01.02A). Any portion of the refund retained by the beneficiary in the month following receipt is considered exempt personal property (CMSPG 06.04.03H).

Automation:

In order to track EITC enrollment, the eligibility worker will record EITC in CalWIN as follows:

1. Click **Intake & Case Maintenance** on the **Navigate CalWIN** window
 - Click the **Data Collection** heading in the "Action" group box
 - Select the **Display Unearned Income Summary** window in the "Action" group box; and enter the case number
 - Click **[Open]** button. The **Display Unearned Income Summary** window displays with the **Case Number** and **Name** pre-filled in the "Case" group box
 - Select the individual from the **Name** drop down field
2. Click **Add** on the toolbar - The **Collect Unearned Income Detail** window displays
 - Enter the Effective Begin Date
 - In the **Type** field, select **Earned Income Tax Credit** from the drop-down menu
 - Select the **Frequency**, and **Source** from the drop-down fields
 - Complete the remaining fields on the **Collect Unearned Income Detail** window
 - Select the appropriate **Verification** and **Source** from the drop-down fields
 - Click **Save** on the toolbar
3. Click **[Income Received]** button - The **Collect Income Received Detail** response window appears
 - Enter the date the unearned income was received or is expected to be received in the **Date Received/Expected to Be Received** field
 - Enter the **Income Terminated [Y/N]** indicator
 - Enter the **Begin Date** and **End Date** of the pay period in the "Pay Period" group box
 - Enter the gross dollar amount of the unearned income in the **Gross Amount** field
 - Enter the **Year to Date Total**
 - Enter the **Lump Sum [Y/N]** indicator
 - Select the appropriate **Verification** and **Source** from the drop down fields
 - Click **Save** on the toolbar to save the information entered
4. Close the **Collect Income Received Detail** window - Return to the **Collect Unearned Income Detail** window
5. Close the **Collect Unearned Income Detail** window - Return to the **Display Unearned Income Summary** window
6. Run Eligibility Determination and Benefit Calculation (EDBC) to apply the changes to the case

References:

All County Information Notice No. I-68-19

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Sunset Date:

This policy will be reviewed for continuance by December 31, 2020.

Approval for Release:

 1-8-20

Rick Wanne, Director
Eligibility Operations