



STATE OF CALIFORNIA  
**Franchise Tax Board**

# How California Earned Income Tax Credit (Cal EITC) Helps The Central Valley

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# Overview

- Public Policy Institute of California:  
1 in 5 Californians lives in poverty
- 4 in 10 live in or near poverty
- Cal EITC created in 2015



# Overview

- FTB administers Cal EITC
- Promoted by public-private partnership
- Community partners are key



# What is Cal EITC?

- Cash-back tax credit that rewards people for working
- Supplements federal EITC
- Fed/state EITCs:  
Up to \$6,000 total



# How does a family qualify?

- Must file tax return
- Must have W-2 wages
- Upper income limit:
  - \$14,000 for Cal EITC
  - \$53,500 for federal EITC



# How does a family qualify?

- Cal EITC

- Need SSN valid for work
- Cannot file “married/registered domestic partner filing separately”
- Must live in CA for at least half of year



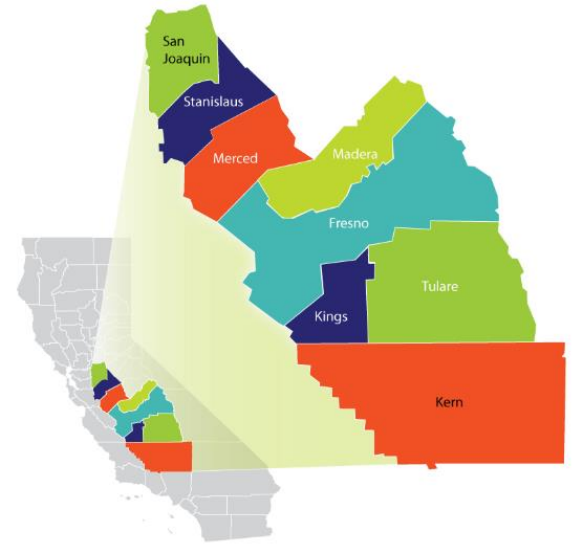
# How did the first year go for Cal EITC?

- Statewide:
  - 377,617 Cal EITC credits issued
  - \$197,637,344 issued
  - Average credit: \$523



# How did the first year go for Cal EITC?

- 8 counties of Partnership :
  - 57,178 credits issued
  - \$39,347,407 issued
  - Average credit: \$688





# What about federal EITC?

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



# What's next?

- Cal EITC available for 2016 tax year
- Goal: Build upon first year
- Reach out to first-time filers
- Partners continue to be key



# How can you help?

- Share news about CalEITC4Me.org
- Tell employers about new Cal EITC notification requirement
- Use our brochures, posters for outreach



# Need more info?



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