



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
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Field Operations Memo 2007- 66
December 21, 2007

To: Transitional Assistance Office Staff
From:  John Augeri, Assistant Commissioner for Field Operations
Re: Earned Income Tax Credit (EITC), Massachusetts Earned Income Credit (EIC) and Child Care Assistance Mailing

Overview

In January 2008, the Department will issue the annual informational mailing for the Earned Income Tax Credit (EITC), Massachusetts Earned Income Credit (EIC) and Child Care Assistance.

The mailing will be sent to all active TAFDC clients, all former TAFDC clients whose cases closed as of January 1, 2007, and all active Food Stamp cases, excluding FS cases in the Malden Centralized SSI Office and FS cases receiving TAFDC.

Purpose of Memo

This Field Operations Memo informs TAO staff about the EITC/EIC and Child Care Assistance campaign mailing scheduled to begin in January 2008.

EITC/EIC and Child Care Updated Documents

An EITC/EIC and Child Care Assistance notice (Attachment A), Child Care Fact Sheet (Attachment B), and a facsimile (in black and white) of the EITC/EIC brochure (Attachment C) are included in the mailing. All documents are available in English and Spanish.

**EITC/EIC and
Child Care
Updated
Documents
(continued)**

The EITC/EIC and Child Care Assistance notice describes:

- the Federal Income Tax Credit (EITC): for people who worked in 2007 whose income was below certain limits;
- the Massachusetts Earned Income Tax Credit (EIC): for people who have earned income for 2007 and meet requirements for the Federal EITC;
- the Advance EITC: for people who work and have children. Advance EITC allows eligible employees to get more money in their paychecks by filing a W-5 tax claim form with their employer; and
- Child Care Assistance: available to TAFDC clients or certain former TAFDC clients who are working or who are in an approved employment plan activity and have children who are infants through age 12 or through age 16 if a child has a special need.

To start the campaign this year, a supply of the original EITC/EIC brochure updated with 2007 tax filing/refund information, updated EITC poster (English and Spanish versions), and the updated Child Care Fact Sheet will be sent to TAOs.

The EITC/EIC brochure:

- ◆ gives basic information about qualifying 2007 income and family size guidelines;
- ◆ informs families about an additional Child Care Tax Credit (CTC) for which they may qualify; and
- ◆ gives examples of typical estimated EITC and EIC refunds, specifically for the 2007 tax year.

The EITC poster with 2007 tax year information must be displayed in TAOs year-round to encourage applicants and clients to ask about EITC/EIC.

**EITC/EIC and
Child Care
Updated
Documents
(continued)**

The Child Care Fact Sheet provides basic information about:

- child care assistance;
- how to obtain a DTA referral; and
- how to obtain a voucher from the Child Care Resource and Referral Agency (CCR&R).

The list of local CCR&Rs on the back of the Child Care Fact Sheet has been updated with CCR&Rs' current contact information.

IMPORTANT: As of January 1, 2008, TAOs must remove and dispose of all EITC/EIC brochures, EITC posters and the Child Care Fact Sheets issued in February 2007.

**Free Tax
Assistance Sites**

In mid-January, TAOs will be e-mailed an updated list of free tax assistance sites where staff trained on the EITC and the EIC are available to assist tax filers with filling out the necessary tax forms. Once received, the list should be printed out. The list of free tax assistance sites currently on the DTA www.masscashback.com website and in DTA Online "Resource Inventories" are also expected to be updated around the same time.

At anytime, clients may contact the Internal Revenue Service (IRS) at: 1-800-829-1040 for more information on EITC; or the Massachusetts Department of Revenue (DOR) at: 1-800-392-6089 or 617-887-MDOR (6367) for state EIC tax information.

AU Managers'
Role: *Providing
Customer Service*

At application and appropriate client contact, AU Managers should inform the applicant or client about EITC/EIC and Child Care Assistance by giving them an EITC/EIC brochure and a Child Care Fact Sheet. Additionally, AU Managers should provide the nearest free tax assistance site information by giving the applicant or client information from the list, DTA Online, the website, or by giving them a copy of the list.

Note: Clients may go to any free tax assistance site on the list or named on the website.

**Obsolete
Material**

The following are obsolete as of January 1, 2008:

- ◆ Field Operations Memo 2007-6;
 - ◆ Child Care Fact Sheet (CCFS (2/2007)); and
 - ◆ EITC/EIC brochure and EIC posters issued February 2007.
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Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at 617-348-8478.

Attachment A

{BEACON_USER_STREET_ADDRESS}
{BEACON_USER_CITY, STATE, ZIP}
{TAO_NAME} - {WORKER_LAST_NAME}
{CASE_STATUS_INDICATOR}

Important Notice - Read Carefully
Este Mensaje Es Importante - Lea Cuidadosamente

Massachusetts Department of Transitional Assistance

{RECIPIENT_NAME}
{RECIPIENT_ADDRESS}
{RECIPIENT_CITY/TOWN, STATE, ZIP}

{RECIPIENT_SSN}
{BEACON_USER_OFFICE_NAME}

{MM/YYYY}

Dear Mary Jones:

The Department of Transitional Assistance is sending you information on three important issues:

- **Federal Earned Income Tax Credit (EITC)**
- **Massachusetts Earned Income Credit (EIC)**
- **Child Care Assistance**

Federal Earned Income Tax Credit and Massachusetts Earned Income Credit

If you worked in 2007 you may be eligible for the Federal Earned Income Tax Credit and the Massachusetts Earned Income Credit. If you are eligible, you'll owe less in taxes and you could get cash back. Even if you don't owe income tax, you may get the EITC and EIC.

Here's how you get it:

Federal Earned Income Tax Credit - If you were raising children in 2007, file federal tax Form 1040 or 1040A, and attach Schedule EIC. (Do not use Form 1040EZ) *If you were not raising children in 2007, you may file federal tax Form 1040, 1040A or 1040EZ and attach Schedule EIC.*

Massachusetts Earned Income Credit - In order to receive the EIC, you must file **both** a Federal and Massachusetts tax return even if you do not owe any tax.

**Get the facts! Don't wait! Find out if you are eligible!
You can get your tax forms filled out for free and here is how:**

- Contact your local DTA office for a list of Free Tax Preparation Sites; or
- Visit www.masscashback.com; or
- Call the IRS toll-free at 1-800-829-1040 for federal information; or
- Call Massachusetts Department of Revenue (DOR) at 617-887-MDOR (6367) or toll-free in Massachusetts 1-800-392-6089 for state information.

(see other side)

BEACON NOTICE
LANGUAGE WITH VARIABLE TEXT – reverse page (ENGLISH)

BOOST YOUR TAKE-HOME PAY! Eligible workers with children can get Advance EITC in their paychecks. Get Form W-5 from your employer, or call 1-800-TAX-FORM (1-800-829-3676).

Child Care Assistance The enclosed Child Care Fact Sheet will explain how to get and keep child care. It provides information for you to review with the Child Care Resource and Referral Agency (CCR&R). It also provides a listing of the names and addresses of CCR&R agencies.

If you have any questions and are currently receiving benefits, call {WORKER_PHONE_NUMBER} and ask for your worker {WORKER_NAME}.

If you are no longer receiving benefits and have questions, please call Recipient Services at 1-800-445 6604.



Child Care Fact Sheet

The Department of Transitional Assistance (DTA) works closely with the Department of Early Education and Care (EEC) to help eligible families find, enroll in and pay for child care. High quality child care helps families work while their children are cared for in safe, stimulating learning environments.

Child Care Assistance is for families who are working or are in an approved employment plan activity and have children who are infants through age 12 or through age 16 if a child has a special need.

You may be able to receive help paying for child care if you receive TAFDC or have received TAFDC within the last 12 months.

To Receive Child Care Assistance You Must:

1) See your DTA worker who will

- Determine if you are eligible for Child Care Assistance.
- Issue a referral for child care, if you are eligible based upon your employment or employment related activity. This referral is important and tells the Child Care Resource and Referral Agency (CCR&R) that you are eligible to receive a child care voucher and your status in your TAFDC case.

2) Make an appointment with your local Child Care Resource and Referral Agency (CCR&R)

- Call your CCR&R for an appointment (See back page for a list of contact information). Some CCR&Rs are co-located at a DTA Office.

3) Meet with your CCR&R

- Bring your DTA referral for child care.
- Speak with a CCR&R counselor about:
 - ◆ What types of child care settings are available to you;
 - ◆ How to choose child care; and
 - ◆ The cost of child care and parent co-payment, if applicable.
- The CCR&R counselor will write a "voucher" to the child care provider you choose.

If you are currently receiving a cash grant through TAFDC, you will not have to pay a co-payment fee for child care.

Important Things to Remember

Your Responsibilities:

- ◆ Choosing the type of care that best meets your family's needs;
- ◆ Making sure you always have a valid child care voucher from the CCR&R.

Remember To Contact Your DTA Worker When You Have a Change In:

- ◆ Activity (school to work or change in employment); or
- ◆ Wages; or
- ◆ Family size

What happens when my TAFDC case closes?

Once you are employed and no longer receive any cash assistance from DTA, you will continue to be eligible for child care through EEC as long as you meet EEC eligibility criteria:

- ◆ Family income guidelines; and
- ◆ Participating in school or employment for at least 20 hours/week.

When your case closes, you will need to meet with your CCR&R who will

- ◆ explain how this fee is determined; and
- ◆ determine your co-payment for child care based on your income and family size.



Child Care Resource and Referral Agencies (CCR&R) Contact Information

- ❑ **Beverly** • Child Care Circuit • 180 Cabot Street, 2nd floor • Beverly, MA 01915
Tel. 978-921-1631 • www.childcarecircuit.org
- ❑ **Boston** • Child Care Choices of Boston • 105 Chauncy Street, 2nd Floor, • Boston, MA 02111
Tel. 617-542-KIDS or 617-542-5437 • www.childcarechoicesofboston.org
- ❑ **Brockton** • Home/Health & Child Care Services • P.O. Box 640 • 15 Jonathan Drive, Unit 5 • Brockton, MA 02403-0640
Tel. 508-588-6070 • www.hhcc.org
- ❑ **Cambridge** • Child Care Resource Center • 130 Bishop Allen Drive • Cambridge, MA 02139
Tel. 1-617-547-1061 or 617-547-1063 • www.cccinc.org
- ❑ **Cape Cod** • Child Care Network of Cape Cod and the Islands • 115 Enterprise Road • Hyannis, MA 02601
Tel. 508-778-9470 or 1-800-845-1999 • www.childcarenetwork.cc
- ❑ **Concord** • Child Care Search • 2352 Main Street, Suite 102 • Concord, MA 01742
Tel. 978-897-6400 or 1-800-455-8326 • www.comteam.org
- ❑ **Fitchburg** • Child Care Resources • 76 Summer Street, Suite 345 • Fitchburg, MA 01420
Tel. 1-800-660-6269 • www.cafsinc.org
- ❑ **Greenfield** • Community Action Corp. • 393 Main Street, 3rd Floor • Greenfield, MA 01301
Tel. 413-774-2318 • www.fcac.net
- ❑ **Holyoke** • New England Farm Workers' Council • 217 High Street • Holyoke, MA 01040
Tel. 413-322-0200 • www.partnersforcommunity.org
- ❑ **Lawrence** • Child Care Circuit • 190 Hampshire Street • Lawrence, MA 01840
Tel. 978-686-4288 or 1-877-823-2273 • www.childcarecircuit.org
- ❑ **New Bedford** • Child Care Works • United Way Bldg. 105 Williams Street, 4th Floor • New Bedford, MA 02740
Tel. 508-999-9930 or 1-800-338-1717 • www.paceccw.org
- ❑ **Northampton** • Child Care Outlook, The Vernon Street School, • 56 Vernon Street, • Northampton, MA 01060
Tel. 413-772-2177 or 1-877-366-9096
- ❑ **Pittsfield** • Resources for Child Care • 152 North Street, Suite 230 • Pittsfield, MA 01201
Tel. 413-443-7830 • www.resourcesforchildcare.net
- ❑ **Quincy** • Community Care for Kids • 1509 Hancock Street, 4th Floor • Quincy, MA 02169
Tel. 617-471-6473 or 1-800-637-2011 • www.communitycareforkids.org
- ❑ **Springfield** • New England Farm Workers' Council • 1628-1640 Main Street • Springfield, MA 01103
Tel. 413-272-2207 • www.partnersforcommunity.org
- ❑ **Worcester** • Child Care Resources • 799 West Boylston Street • Worcester, MA 01606
Tel. 508-856-7930 or 1-800-952-9183 • www.cafsinc.org

If you are not sure which CCR&R to contact, call the CCR&R Network at 1-800-345-0131. The message (in both English and Spanish) will tell you to enter your home zip code and connect you with the correct CCR&R.

Some families can get a child care tax credit (CTC) too!

Your family may qualify for the CTC, which may reduce your tax by as much as \$1000 for each qualifying child.

Extra state benefit

When you qualify for the federal EITC, you automatically qualify for a Massachusetts tax credit (EIC) that will give you an extra 15% of your EITC check. \$2800 turns into \$3220!

FACT:

Millions of Americans and their families who could claim the EITC don't—leaving billions of dollars behind. Don't lose out!



I'm convinced. Where can I file?

You can go to a free tax assistance site. These sites have trained volunteers who will check your eligibility and then help you fill out your tax forms.

To find a free tax site near you:

- Contact your DTA worker; or
- Visit www.masscashback.com; or
- Call the IRS at 1-800-829-1040

File Your 2007 Tax. Get Cash Back. It's That Easy.



File Your 2007 Tax. Get Cash Back. It's That Easy.



Learn about 2007
tax credits and
free ways to file.

www.masscashback.com



How much money can I get back?

Your EITC check depends mainly on your family size and your 2007 income.

If your family has	And you earned less than	Then you can get up to
No "qualifying children" (see box)	\$12,590	\$428
One qualifying child	\$33,241	\$2853
Two or more qualifying children	\$37,783	\$4716

Note: Alimony and child support payments do not count towards income.

What is the EITC, and how can it help me?

The Earned Income Tax Credit (EITC) is for people who work and meet certain income guidelines.

You may **get money back** when you file your taxes and keep more of what you earned. It can make a big difference!

Learn more details and file for tax credits at a **free tax assistance site** near you. There are about 200 in Massachusetts open during tax season.

You may even get credits for the last two years.

How do I know if I qualify for EITC?

- You must have worked and earned income
- You must have a valid Social Security number
- You cannot be counted as a "child" by someone else

There are more rules about age, citizenship, and non-earned/foreign income. A **FREE** tax preparer can explain these.

What if I don't owe any tax?

No problem. You can still get the tax credits.

Will the EITC affect my benefits?

In Massachusetts, getting the EITC and the state tax credit EIC will not affect your eligibility for Medicaid, SSI, food stamps, low-income housing, or TAFDC.

(EITC does not count as income in determining eligibility for these benefits.)

A "qualifying child" can be your...

- Biological or adopted child
- Stepchild
- Foster child
- Brother or sister
- Stepbrother or stepsister

... or the children of any of these people

A "child" must be under 19 unless they are a full-time student or have a disability.