



Health 2 Wealth EITC and CalEITC Frequently Asked Questions

Did you know?

In 2020, 2.8 million Californians claimed \$6.4 billion EITC dollars and 3.9 million Californians claimed \$737 million CalEITC dollars.

What is the EITC and the CalEITC?

The Earned Income Tax Credit (EITC) is a federal tax credit for low-and moderate-income working people. The EITC is the country's largest and most successful anti-poverty program. In 2018, the EITC lifted about 5.6 million people out of poverty, including about 3 million children.

The California Earned Income Tax Credit (CalEITC) is a state tax credit for working Californians. The CalEITC is available to many who don't qualify for the federal EITC. This year, for the first time, the CalEITC is available to those who file their taxes with an ITIN (Individual Taxpayer Identification Number), including undocumented immigrants.

Those who qualify may see a reduced tax bill or a bigger refund.

Who qualifies for the CalEITC and EITC?

California Earned Income Tax Credit (CalEITC)

A person may be eligible if they:

- Are over 18,
- Earn at least \$1 but less than \$30,000 in 2020, and
- File taxes.
- ITIN filers are eligible; a Social Security Number is not required.

Federal Earned Income Tax Credit (EITC)*

A person may be eligible if they:

- Have a Social Security number, and
- Are between 25-65, have at least one dependent, and made \$56,844 or less, OR
- Are between 25-65 and made \$15,820 or less.

How does the EITC impact health and well-being?

Research has found that when families get the EITC, their babies are healthier - newborns weigh more and infant mortality rates decrease. Receiving the EITC may also improve maternal health.

Are there other benefits linked to receiving the EITC?

Yes, studies show that families who receive the EITC also have better educational opportunities and outcomes. Children in families who receive the EITC are more likely to stay in school longer, do better in school, and go to college.

*As of 1/27/21