



Legislation Text

File #: 12-1100, **Version:** 1

Recommendation to request City Attorney to draft a resolution in support of the “2013 Free Income Tax Preparation and Family Services” initiative as part of the Volunteer Income Tax Assistance (VITA) Program and return for adoption at the next City Council meeting in early January 2013.

The “Free Income Tax Preparation and Family Services” initiative is part of the Volunteer Income Tax Assistance Program. Under the leadership of Chairman Jerome Horton, this initiative has been a huge success as it was able to capture \$3.7 million in federal tax credits for California as they file tax returns. At the same time, this initiative was able to provide qualified participants the opportunity to apply for and receive a broad range of much needed family services. Currently, the California State Board of Equalization has scheduled 13 sites throughout southern California, including the city of Long Beach, to serve over 3,000 constituents.

This year qualified taxpayers who earn less than \$51,000 may be eligible to receive a maximum of \$5,891 in Earned Income Tax Credits (EITC). The EITC is a refundable credit, and unlike other available tax credits; the EITC is a direct cash payment, which is added to any refund due to qualifying individuals. Astonishingly, \$370 million in EITC remains unclaimed every year in Los Angeles County.

This resolution will demonstrate the importance of this federal credit and the positive impact it has on the local Long Beach economy and, ultimately, the State of California.

There is no fiscal impact.

Approve recommendation.

COUNCILMEMBER STEVEN NEAL
NINTH DISTRICT

ROBERT GARCIA, VICE MAYOR
FIRST DISTRICT

COUNCILMAN AL AUSTIN
EIGHTH DISTRICT