



Representative Calvin K.Y. Say

SPEAKER OF THE HOUSE OF REPRESENTATIVES

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Neighborhood
Report
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HAWAII TAX HELP - *The Family and Individual Self-Sufficiency Program*

The FISSP and public officials will be hosting a free tax assistance site at the Hawaii State Capitol on February 4, 2012. Please visit www.hawaiitaxhelp.org in January for more information regarding how to make an appointment.



The Family and Individual Self-Sufficiency Program (FISSP), which began as a pilot program at Aloha United Way in 2005, became a part of the Hawai'i Alliance for Community-Based Economic Development (HACBED) in July of 2009.

with the lowest income. The EITC is structured so that it increases as wages increase until it reaches a certain level at which point it plateaus while income continues to increase and then slowly decreases until the income limitation is reached.

Who is Eligible for Free Tax Assistance?:

Generally, anyone who earns less than \$49,000 would be eligible for free tax assistance. However, some sites have a lower or higher cut-off point. Taxpayers should inquire at the site.

The FISSP has four major objectives:

- **First**, to provide and expand free tax assistance services to low-to-moderate income workers by recruiting, supporting, and coordinating the efforts of organizations that are willing to participate in the free tax assistance program.
- **Second**, to conduct outreach to increase the public's awareness of the availability of free tax assistance services and valuable tax credits such as the Earned Income Tax Credit (EITC).
- **Third**, to conduct continuing recruitment of volunteers willing to work at free tax assistance sites.
- **Fourth**, to directly link the free tax assistance program to financial literacy and asset-building efforts in order to help taxpayers learn how to better use the money that they earn and that they receive as refunds to get rid of debt and to begin asset building.

EITC Basic Eligibility Requirements:

- You need to have earned income (whether you work for someone else or have your own business).
- You need a valid social security number allowing you to work.
- If you are married, you must file jointly with your spouse.
- You must be a U.S. citizen or resident alien for the entire tax year and you must have lived in the US more than half of the year.
- Any investment income must be \$3,100 or less.
- You cannot be a dependent or qualifying child of another person.
- If you have a child, the child must qualify by meeting relationship, age, and residency tests.
- A qualifying child cannot be used by more than one person to claim the EITC.

Earned Income Tax Credit (EITC):

The EITC is a valuable tax credit for low-to-moderate income workers and is considered to be the nation's largest and most successful anti-poverty and work-incentive program. Annually, over \$40 billion in EITC benefits are paid out to eligible taxpayers across the United States, which exceeds the Temporary Assistance for Need Families (TANF) and Food Stamp Programs. However, the EITC is different from many other assistance programs because the largest amount of EITC is NOT provided to the workers

How do I get the EITC?:

You can only get the EITC if you file your taxes (or have someone file them for you). If you pay someone to do your taxes, it will probably cost you \$150 or more. But through FISSP, there are free tax preparation sites throughout Hawai'i. Trained, professional volunteers at these sites will prepare your taxes at no cost to you. To find a list of free tax preparation sites throughout the state of Hawai'i, call 2-1-1.