



## **STATE OF CALIFORNIA EARNED INCOME TAX CREDIT NOTIFICATION**

In addition to the notice that appears on the reverse of the federal Form W-2 Wage and Tax Statement, California employers are required to notify all employees that they may be eligible for the federal and the California Earned Income Tax Credit (EITC) by giving them a separate notice. This notice must be given one week before, after, or at the same time that the employer provides an annual wage summary (Form W-2 or a Form 1099). Employers can provide notification by handing directly to the employee or mailing to the employee's last known address either:

- Instructions on how to obtain any notices available from the Internal Revenue Service and the Franchise Tax Board for this purpose, including, but not limited to, the IRS Notice 797 and information on the California EITC at the website [www.ftb.ca.gov](http://www.ftb.ca.gov); or
- Any notice created by the employer, as long as it contains substantially the same language as the sample notice provided in the law - Assembly Bill No. 1847 | CHAPTER 294, Adopted September 12, 2016.

If it will assist you with employee notification, below is the language used in the sample notice in CA A 1847. You can either create your own statement to your employees or feel free to duplicate this form and distribute as appropriate.

### **California Employee:**

"Based on your annual earnings, you may be eligible to receive the earned income tax credit from the federal government (federal EITC). The federal EITC is a refundable federal income tax credit for low-income working individuals and families. The federal EITC has no effect on certain welfare benefits. In most cases, federal EITC payments will not be used to determine eligibility for Medicaid, Supplemental Security Income, Food Stamps, low-income housing or most temporary assistance for needy families' payments. Even if you do not owe federal taxes, you must file a federal tax return to receive the federal EITC. Be sure to fill out the federal EITC form in the federal income tax return booklet. For information regarding your eligibility to receive the federal EITC, including information on how to obtain the IRS Notice 797 or any other necessary forms and instructions, contact the Internal Revenue Service by calling 1-800-829-3676 or through its website at [www.irs.gov](http://www.irs.gov).

You also may be eligible to receive the California earned income tax credit (California EITC) starting with the calendar year 2015 tax return. The California EITC is a refundable state income tax credit for low-income working individuals and families. The California EITC is treated in the same manner as the federal EITC and generally will not be used to determine eligibility for welfare benefits under California law. To claim the California EITC, even if you do not owe California taxes, you must file a California income tax return and complete and attach the California EITC form (FTB 3514). For information on the availability of the credit, eligibility requirements, and how to obtain the necessary California forms and get help filing, contact the Franchise Tax Board at 1-800-852-5711 or through its website at [www.ftb.ca.gov](http://www.ftb.ca.gov)."

