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## NYC KICKS OFF TAX SEASON WITH FREE TAX PREPARATION SERVICES NOW TAILORED FOR SELF-EMPLOYED NEW YORKERS, MORE MONEY FOR FILERS CLAIMING NEWLY ENHANCED EARNED INCOME TAX CREDIT

All New Yorkers Who Earned \$80,000 or Less Encouraged to File for Free Tax Prep

Expansion of NYC Free Tax Prep to Self-Employed New Yorkers and Small Businesses Fulfills Key Proposal of Mayor's "Blueprint for Economic Recovery"

**NEW YORK, NY** – New York City Mayor Eric Adams and New York City Department of Consumer and Worker Protection (DCWP) Commissioner Vilda Vera Mayuga today kicked off the tax season and encouraged single-filing New Yorkers who earned \$56,000 or less in 2022, or families who earned \$80,000 or less, to file their taxes for free using NYC Free Tax Prep. NYC Free Tax Prep provides free, professional, tax preparation that can help New Yorkers keep their full refund, including valuable tax credits, like the newly enhanced New York City Earned Income Tax Credit (NYC EITC). The new NYC Free Tax Prep for self-employed New Yorkers will also provide income tax services to freelance workers and small businesses. The Internal Revenue Service (IRS) began accepting tax returns on Monday, January 23<sup>rd</sup> and will continue to do so until Tuesday, April 18.

"We know that many New Yorkers are struggling right now, and we want them to know the city is here for them," said **Mayor Adams**. "Last year, we went to Albany to secure the first increase in the city's Earned Income Tax Credit in 20 years. Now, thanks to our administration's efforts, freelance workers, gig workers, and small businesses can take advantage of free tax prep, along with eligible individuals making less than \$56,000 a year or families making less than \$80,000. New Yorkers deserve their fair share, and we are putting more money in their pockets this tax season."

"This administration is committed to delivering on a comprehensive working people's agenda for New Yorkers," said **First Deputy Mayor Sheena Wright.** "Thanks to the partnership and commitment from our colleagues in Albany, last year we were able to secure an increase in the city's Earned Income Tax Credit for the first time in 20 years, putting more money into low- and middle-income families' pockets and helping them plan for their financial future. We encourage

all eligible New Yorkers to take advantage of Free Tax Prep so they can claim the full value of this credit and keep more of their hard-earned money."

"The pandemic showed us that too many New Yorkers operate on the brink, living paycheck to paycheck, without sufficient savings to weather crises big or small. These hardships are particularly crippling for gig workers, freelancers, and others hustling from job to job," said **Deputy Mayor for Economic and Workforce Development Maria Torres-Springer.** "Today, we're proud to announce that we're delivering on a commitment made in our Blueprint for New York City's Economic Recovery, expanding the NYC Free Tax Prep program to support freelancers, gig workers, and small and micro-business owners with free business tax prep, accounting, recordkeeping, and other financial support services. This will help keep hardearned money in their pockets and fuel an equitable, broad-based recovery for all New Yorkers."

"Each year, NYC Free Tax Prep helps thousands of New Yorkers get their full refund at no cost to them, but we know that so many eligible New Yorkers aren't taking advantage of this free, one-on-one service," said **DCWP Commissioner Mayuga**. "This year, we're excited to offer NYC Free Tax Prep to self-employed New Yorkers and help more New Yorkers keep even more of their hard-earned money. If you are a family that earned \$80,000 or less or an individual who earned \$56,000 or less in 2022, we encourage you to visit a site to file for free and claim your refund."

## **NYC Free Tax Prep for the Self-Employed**

Announced as part of Mayor Adams' "Rebuild, Renew, Reinvent: A Blueprint for New York City's Economic Recovery," NYC Free Tax Prep for self-employed individuals seeks to expand the availability of free tax preparation services for gig workers, freelancers, and small business owners who often struggle to file taxes and manage financial record keeping and face limited access to capital, banking services, and loans. Through this new year-round service within NYC Free Tax Prep, self-employed individuals and owners of businesses can work with specially trained preparers on their annual and, later in 2023, quarterly estimated tax filings, including workshops, one-on-one consultations, and other resources on record keeping and tax filing.

## **NYC EITC**

The EITC is available to working families and individuals with low and moderate incomes. The enhancement of the NYC EITC — the first increase in New York City in almost 20 years — fulfills a campaign pledge from Mayor Adams and will help 800,000 New Yorkers who qualify to better afford essential items like food, rent, and utilities.

This tax season, the NYC EITC is increasing from a five percent match of the federal EITC levels to 10 to 30 percent, depending on the filers' income, meaning more money back for more New Yorkers. Under the city's enhancement of the EITC, a single parent with one child with an income of \$14,750 will see the benefit increase from \$181 to \$905 — a 400 percent increase. A married couple with two children and an income of \$25,000 will see their New York City benefit increase from \$299 to \$897 under the city payment — a 200 percent increase.

NYC Free Tax Prep Services include:

- In-Person Tax Prep sit down with a volunteer preparer: At in-person tax prep sites, knowledgeable IRS certified Volunteer Income Tax Assistance (VITA)/Tax Counseling for the Elderly (TCE) volunteer preparers help filers complete an accurate tax return. Nearly 140 sites across the city will be opening in the coming weeks.
- **Drop-off Service drop off documents and pick up completed returns later**: With drop-off service, filers can drop off their tax documents and pick up the completed return later.
- Virtual Tax Prep like in-person free filing but online: Virtual Tax Prep is an online service where an IRS certified VITA/TCE volunteer preparer will video conference with filers to help prepare their tax return using a secure digital system. Filers can submit photos or scans of tax documents to the preparer, confirm their identity, and complete their return by video call with a preparer. Filers will need access to a computer, tablet, or smartphone; a stable internet connection; and the ability to download secure video conference software.
- Assisted Self-Preparation free online tax prep on one's own or with help: Assisted Self-Preparation allows filers to complete their tax return online on their own and an IRS certified VITA/TCE volunteer preparer will be available by phone or email to answer questions. Filers will need access to a computer, tablet, or smartphone; a stable internet connection; an email address, and their 2021 adjusted gross income or self-select PIN.

## **Paid Tax Preparers**

The city encourages eligible filers to file for free with NYC Free Tax Prep but consumers who use a paid tax preparer should ask the preparer for a <u>Consumer Bill of Rights Regarding Tax Preparers</u> (available in multiple languages) and read it carefully before having their taxes prepared. Consumers should also be on alert for predatory tax preparers that overcharge, charge hidden fees, or file their returns without permission.

New Yorkers can call 311 or visit New York City's tax prep website to choose the best filing option for themselves and find the most convenient location if choosing in-person or drop-off tax prep. A checklist of what documents New Yorkers need to bring with them to file and multilingual information about the services are available online. In-person services are available in English, Arabic, Armenian, Bengali, Chinese, French, Haitian-Creole, Hebrew, Korean, Russian, Spanish, and Urdu, and other language are yet to come.

"NYC Health + Hospitals is proud to offer free, in-person and virtual tax preparation," said **NYC Health + Hospitals Vice President and Chief Population Health Officer Nichola Davis, MD, MS**. "Whether you're coming in for a check-up or to visit a loved one, help with preparing taxes is just another way we take care of our patients."

"The expanded NYC Free Tax Prep program will allow more New Yorkers to step back from the stress of tax season," said **Health Commissioner Dr. Ashwin Vasan**. "Professional help can free up funds for essentials like food or fun to support a healthy lifestyle."

"Every tax season, New Yorkers walk into DCWP's NYC Free Tax Prep full of questions and worries, and come out with thousands of dollars saved. By expanding DCWP services to help self-employed New Yorkers and small business owners, Mayor Adams and Commissioner Mayuga are not just helping business owners to keep more of their hard-earned dollars but giving business owners better tools to lead our economic recovery," said **Kevin D. Kim**,

Commissioner, NYC Department of Small Business Services. "SBS is proud to work closely with DCWP to strengthen economic security across our five boroughs: from connecting jobseekers at our Workforce1 Career Centers to DCWP's financial counseling services, to saving business owners money on their taxes."

"The Earned Income Tax Credit (EITC) is nearly 50 years old and is the federal government's largest refundable tax credit for low- to moderate-income workers," said **Michele Page, area director, IRS**. "This year marks the 17<sup>th</sup> anniversary of celebrating EITC Awareness Day. Nationwide, as of December 2022, approximately 31 million taxpayers received over \$64 billion in EITC payments. EITC provides workers and families a significant tax break and a much-needed refund. However, one in five taxpayers are not taking advantage of EITC. Almost a third of those who qualify for EITC became eligible for the first time this year due to changes in their marital, parental, or financial status. IRS is proud to support our community partners reaching out to their clients directly to help make eligible taxpayers aware of this potentially life-changing tax credit. The IRS urges workers who earned \$59,187 or less in 2022 to verify if they qualify for the EITC. This includes wage and self-employed earners."

"As Restoration works to disrupt and close the racial wealth gap, our partnership with DCWP as a NYC Free Tax Prep provider is critical to our efforts to help our community to return cash to our community to care for their families. Our Center for Personal Financial Health saved the tax processing fees for more than 3,000 people and brought more than \$3.6 million dollars in federal tax refunds to our community. This year, we aim to serve even more families and use this seasonal moment to help them improve their economic health through refunds, helping them to save and pay down debt, and access other critical services from benefits to employment," said **Tracey Capers, executive vice president and chief program officer, Bedford Stuyvesant Restoration.** 

"BronxWorks is proud to partner with the New York City Department of Consumer and Worker Protection once again to offer free tax preparation services," said **Eileen Torres**, **executive director**, **BronxWorks**. "As we enter tax season, the provision of free assistance by experienced professionals is essential for many of our Bronx neighbors who otherwise would not have access to these services. BronxWorks looks forward to continuing this important work."

"COJO Flatbush is grateful once again to NYC DCWP in partnership with the IRS' popular VITA/TCE program for the privilege of providing tax preparation services to our neighbors and alleviating the worries and expenses that come with preparing tax returns," said **Louis P. Welz, executive officer, COJO Flatbush**. "Even a relatively routine return prepared by an accountant will cost a person a couple hundred dollars. Multiply that by the number of NYC Free Tax Prep clients we service and you're talking about hundreds of thousands of dollars remaining in the pockets of community members. By maximizing allowable deductions in all areas, including the crucial Child Tax Credit and Earned Income Tax Credit, NYC Free Tax Prep program makes a tremendous difference to so many household budgets, especially in these tough economic times."

"Met Council is proud to team up with the NYC Department of Consumer and Worker Protection to offer free tax preparation at locations throughout the city so New Yorkers can get the benefits and money they deserve back in taxes," said **David G. Greenfield**, **CEO**, **Met Council.** "Last year, Met Council helped secure significant dollars in the pockets of low and

middle-income New Yorkers by filing over a thousand returns, and this year, we look forward to securing even more for New York's neediest."

"NMIC is excited to partner with DCWP to provide access to free, effective tax preparation services through the NYC Free Tax Prep program," said **Maria Lizardo**, **executive director**, **NMIC**. "These services are invaluable to the economic empowerment of our community members as we continue to recover from the COVID-19 pandemic."

"Project Hospitality is proud to run three VITA free tax preparation sites," said **Reverend Karen Pershing, director of community initiatives, Project Hospitality**. "We are able to help our community receive millions of dollars in refunds and to be financially empowered through the receipt of the earned income tax credit and child tax credit. Clients who come for free tax preparation services are often grateful to learn of all the other free services Project Hospitality can provide to them, such as help getting an Individual Taxpayer Identification Number, enrolling in public benefits, enrolling in health insurance and NYC Care, food pantry, mental health services, and many other comprehensive social services."

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