

Due to the COVID-19 pandemic, the UNHP Free Tax Prep program has been canceled. We know this is a hardship for the many people who count on us, but we are committed to sharing resources for free and low-cost tax preparation options. UNHP will continue to provide you with helpful tax information, including things specific to 2020 taxes such as the stimulus payment and unemployment.

Other NYC free tax prep programs:

- BronxWorks Free Tax Preparation has drop-off and in-person services and is available for single filers with incomes up to \$48,000 and filers with dependents with incomes up to \$68,000 in 2020. Make an [appointment](#) or call 347.862.9843.
- Mosholu Montefiore Community Center Free Tax Preparation is available for single filers with incomes up to \$30,000 and filers with dependents with incomes up to \$54,000. Contact Dewayne Lee at 718-882-4000 ext. 209 or [DLee@mmcc.org](mailto:DLee@mmcc.org) for more information. (waiting on confirmation)
- NMIC has VITA services for single filers with incomes up to \$48,000 and filers with dependents with incomes up to \$68,000. Make a virtual appointment on their [website](#) or call 929-415-8745 Mondays-Wednesdays 11am-7pm and Saturdays-Sundays 9am-5pm.
- NYC Free Tax Prep is available for single filers with incomes up to \$48,000 and filers with dependents with incomes up to \$68,000.
  - At an NYC Free Tax Prep site for drop-off service, you can drop off your tax documents and pick up the completed return later. [Open map to find your nearest site.](#)
  - NYC Free Tax Prep also offers virtual tax prep, assisted self-preparation, and in-person tax prep. Call 311 or visit their [website](#) to make an appointment.
- Senior Citizens with only social security as income or those who are on public assistance or SSD are eligible for the NYC school tax credit if you were a NYC resident for at least 6 months. Here is a link to print out the [school credit tax form](#) and [instructions](#). You can read about other options and requirements [here](#).
- For those that are computer savvy, UNHP can provide a link for Facilitated Self-Assisted Tax Prep(FSA) The FSA link is a free self-file option for any income range. Reach out to UNHP by email at [taxes@unhp.org](mailto:taxes@unhp.org) for information and the link to file.
- IRS Free File allows you to do your taxes online for free using one of the Free File partner offers and is available to those with an income under \$72,000. Browse all offers [here](#) and on the NYS Tax site [here](#). A free e-file checklist can be found [here](#)

### **Recovery Rebate Credit:**

The second round of stimulus payments are \$600 for individuals (\$75,000 income limit) and \$1,200 for married couples (\$150,000 income limit) plus \$600 for each dependent under 17. No action is required for most recipients. You can check the status of your payment [here](#). If you did not receive a first or second stimulus payment and think you are eligible, claim the Recovery Rebate Credit on your 2020 Form 1040 or 1040-SR. Learn more on the [IRS website](#) or on The [Consumer Finance Protection Bureau](#) website which can be viewed in Spanish and other languages. New this time- The 2nd round of stimulus is retroactive to the mixed-status families where at least one household member has an SSN. These families will receive checks for

\$1,200 per household and \$500 per child as previously allocated by the CARES Act. This retroactive payment can be claimed through the Recovery Rebate Credit when filing taxes.

### **Unemployment Insurance:**

Unemployment is [taxable income](#). If you received unemployment this year, you will need form [1099-G](#) from your state's unemployment office to file for taxes. You must be proactive and obtain this from - it won't be mailed to you. The document will be available to view and print on the Department of Labor's [website](#) and will only be mailed by request.

If you didn't choose voluntary withholding, you may get an unexpected tax bill or reduced tax refund. To avoid owing taxes when you file your tax return next year, consider having tax withheld from these payments. Review your records and adjust your tax withholdings by logging in to [www.labor.ny.gov/signin](http://www.labor.ny.gov/signin), clicking "Unemployment Benefits," going to "Payment and Tax Withholding Options," and following the instructions under "Tax Withholding." Learn more [here](#).

### **Earned Income Tax Credit Relief:**

You may claim the EITC if your income is low- to moderate. The amount of your credit may change if you have children, dependents, are disabled or meet other criteria. Read the qualification details [here](#).

### **Maybe Wait a Year to File?**

If you did not owe taxes last year and your income and filing statuses are more or less the same this year, you can file anytime during the year or together with your 2021 taxes at another free site or with us in the future. For those that are not required to file and receive a small refund (\$63) you may want to wait until next year when you will receive the back payment. You can file up to three years at one time.

### **Refund Information:**

If you have yet to receive your tax refund, you can check on the status online or by phone.

Federal Refund:

[www.irs.gov](http://www.irs.gov) (Click "Get Your Refund Status")

1-800-829-1040 (Monday through Friday, 7:00 am to 7:00 pm)

New York State Refund:

[www.tax.ny.gov](http://www.tax.ny.gov) (Click "Check Your Refund")

518-457-5149 (Monday through Friday, 8:30 am to 7:00 pm)

### **If you are hiring a tax preparer, make sure they check off all of these boxes:**

- I've seen the tax preparer's registration certificate, or proof that the preparer isn't required to register with the IRS or NYS.
- I've seen a list of the tax preparer's fees and I am comfortable with them.
- My refund will be deposited into my bank account--not my preparer's--or sent to my address.
- The preparer will provide me with a copy of the return for review before it's filed so I can ensure it's accurate.
- The preparer will sign and include the required information on my return.

- The preparer will file my return electronically.
- The preparer will be available after my return is submitted in case questions arise.

You can read the [Consumer Bill of Rights Regarding Tax Preparers](#) before hiring a tax preparer, too.

File a complaint against a tax preparer:

If you suspect that a tax preparer is engaged in illegal or improper conduct, please file a complaint with the Tax Department. The Tax Department will review your complaint promptly and, where appropriate, take corrective action, which may include sanctions: [Online Form](#) or 518-530-HELP

### **Free Financial Counseling**

Taxes, refunds, and payments are all part of your personal finance. Discuss how to reduce your financial issues and build toward your goals with a profession free financial counselor. Visit the NYC Consumer Affairs webpage or contact UNHP to schedule an appointment. (718)933-2539 or visit our website for other [remote services](#) and [events](#)

Useful Websites and Links

[NYS Taxation and Finance](#)

[IRS](#)

[Consumer Finance Protection Bureau](#)

[NYC Free Tax Preparation](#)

[University Neighborhood Housing Program \(UNHP\)](#)

### **What is New for Tax Filers This Year - Good Summary from News 12**

The pandemic has made everything a bit trickier - tax filing season is no exception.

The whole process is starting a bit later this year and there are a few wrinkles to be aware of for those who received unemployment benefits, worked from home, took on gig work, were a victim of fraud - or faced other issues common to 2020.

The IRS will begin accepting tax returns 2/12/21. Here's what you should know before you file:

#### **UNEMPLOYMENT**

Unemployment benefits are taxable income, which may surprise some filers.

Workers are not required to have federal taxes withheld from their benefit payments. While they are given the option to have it withheld, few opt to.

Additionally, unemployment benefits are always subject to federal taxes, but a handful of states do not tax it.

#### **RELIEF CHECKS**

The two rounds of economic impact payments sent to millions of Americans are not taxable income. But people who did not get their payments, or received less than they were due, can get the proper amount by claiming the Recovery Rebate Credit on their 2020 taxes.

As a reminder, the first round of payments was worth up to \$1,200 per eligible adult and \$500 per dependent; the second was worth up to \$600 for each eligible household member. Those who received a larger economic impact payment than they were due will not be penalized.

It's also worth noting that while no one has to pay tax on this income at a federal level, some states are taxing it.

### **TAX CREDITS**

Congress put a temporary “lookback” provision in place for this tax season that could help many low and moderate-income households.

The provision allows taxpayers to use either their 2019 or 2020 income when claiming the Earned Income Tax Credit or Child Tax Credit. The eligibility and size of these credits vary based on household size and income. In general, the less earned, the larger the credit.

However, rampant unemployment put some families at risk of missing out or getting a smaller credit as unemployment is not considered “earned income” in the eyes of the IRS. In response, lawmakers are allowing taxpayers to pick which year’s income would yield the greatest benefit.

### **FRAUD**

Taxpayers may face a new challenge this year due to rampant unemployment fraud.

While millions of people sought legitimate unemployment benefit claims during 2020, scammers seized on the opportunity to commit identity fraud and make fake unemployment claims.

California alone paid out \$10.4 billion in fraudulent claims, according to a recent audit.

The IRS says taxpayers who receive Forms 1099-G for unemployment benefits they did not receive to contact their state for a corrected form showing they did not receive these benefits.

Taxpayers who are unable to obtain a timely, corrected form from states should still file an accurate tax return, reporting only the income they actually received.

### **GIG WORK**

If you jumped into gig work, like many did during 2020, be ready at tax time.

A big shock may be facing the self-employment tax rate, which for 2020 is 15.3% on the first \$137,700 of net income to cover Social Security and Medicare tax. This is not the same as income tax. One way to help offset this strain is to make sure to claim all your expenses, said Greene-Lewis. This includes supplies, advertising or marketing startup costs, or any equipment or dedicated home office.

If you were driving for a ride sharing service or delivery company, make sure to claim all the mileage you are eligible for. Consider smaller items too, like supplies for the car or car washing, which are eligible expenses.

### **CHARITY**

One bright spot for the year is a new, temporary deduction for charitable donations.

Taxpayers can deduct up to \$300 for cash donations given to charity even if they don’t itemize their deduction. The IRS estimates that about nine in 10 taxpayers now take the standard deduction instead of itemizing.

Please subscribe to our social media for the latest information and resources.

Facebook: University Neighborhood Housing Program (UNHP) Instagram: @unhpbronx Twitter: @UNHP YouTube: @unhp83