

VITA News



Pittsylvania County
Community Action



VIRGINIA
CASH
CAMPAIGN

Pittsylvania County Community Action, Inc.
348 North Main Street | Chatham VA 24531

Volunteer Income Tax Assistance (VITA)
August 3, 2024

Back to School Edition!

VITA: Volunteer Income Tax Assistance

FREE! It's summer and the temperatures are soaring. But soon school will be starting, and before you know it, tax time will roll around again. If you had 2023 adjusted gross income of \$64,000 or less, make an appointment next year at one of our VITA sites to have a VITA volunteer prepare your federal and state tax returns for **FREE**. The VITA sites open around the third week of January, and remain open throughout the tax-filing season. The Danville site remains open throughout the summer months.

Don't waste your hard-earned money paying a paid preparer to file your return. Instead, use the VITA program: All VITA sites specialize in Earned Income Tax Credit (EITC), Child Tax Credits, credits for dependents, Premium Tax Credits for ACA Marketplace insurance, and education benefits. (Some other topics are out of scope.)

If you are a Rideshare driver—for Uber or Walmart, for example—you will receive a 1099-K or a 1099-NEC in January, which VITA can help you file.

Prior year returns and amendments are no problem for VITA.

Returns are filed electronically, so you can be first in line to receive your refund as soon as the IRS releases EITC funds in February.

We have three convenient locations. Call us next January to set up your tax-filing appointment:

In Danville (year-round):

211 Nor Dan Dr #1055
Danville VA 24540
434-549-8220 (ext 3)

In Chatham (January –April):

348 North Main St
Chatham, VA 24531
434-432-8250 (ext 221)

In Caswell County (February –April):

649 Firetower Rd
Yanceyville NC 27379
336-694-7447

See the list on page 2 for all the information and documents to bring to your appointment.

TAX SCAMS!

Don't fall for these tax scams! Every year brings new scams that target taxpayers. Be on guard for these scams and others that can rob you of your refund:

car dealers and sellers

Clean Energy Tax Credit scams

Employee Retention Credit scams

fake W-2 wages scams

"ghost" tax return preparers

scams targeting seniors

pandemic-related email scams

identity theft and unemployment scams

Two well-known types of scams are *phishing* and *smishing*. Here are descriptions of these devilish scams:

Phishing: An email sent by fraudsters claiming to come from a legitimate source. The email lures victims into the scam by enticing them to provide sensitive information.

Smishing: A text or SMS message where scammers often use alarming language such as, "Your account has now been put on hold," or "Unusual Activity Report," with a bogus "Solutions" link to restore the account.

NEW! Virginia SUN Bucks

Virginia is working with the U.S. Department of Agriculture (USDA) to implement a new program called Virginia SUN Bucks. Through Virginia SUN Bucks, some families will receive extra money to help with the cost of groceries, including fresh fruit, vegetables, whole grains, dairy, and meat at grocery stores, farmers markets, and other places that accept Supplemental Nutrition Assistance Program (SNAP) EBT benefits.

Each school-age child that meets the program requirements will get a one-time payment of \$120. Benefits will be issued either on your family's SNAP EBT card or a pre-loaded Virginia SUN Bucks card that looks just like a debit or credit card and can be used to purchase groceries.

The good news is many families automatically qualify for Virginia SUN Bucks and will not need to take any steps to receive this new benefit.

Education Credits

Ask your VITA volunteer about tax benefits that may be available to you if you are saving for or paying education costs for yourself or, in many cases, another student who is a member of your immediate family. These education credits are based on qualified education expenses paid to an eligible postsecondary educational institution:

- * The *American Opportunity Credit*, part of which may be refundable.
- * The *Lifetime Learning Credit*, which is nonrefundable.

Bring your 1098-T form to your VITA appointment, along with any other education expenses you have.

EARNED INCOME TAX CREDIT

The Earned Income Tax Credit (EITC) helps low- to moderate-income workers and families get a tax break. If you qualify, you can use the credit to reduce the taxes you owe—and maybe increase your refund.

You may claim the EITC if your income is low to moderate. The amount of your credit may change if you have children, dependents that are disabled, or meet other criteria. Here are the qualifications for 2023; qualifications for 2024 will be similar:

- * Have worked and earned income under \$63,398
- * Have investment income below \$11,000 in the tax year 2023
- * Have a valid Social Security number by the due date of your return (including extensions)
- * Be a U.S. citizen or a resident alien all year
- * Not file Form 2555: Foreign Earned Income
- * Meet certain rules if you are separated from your spouse and not filing a joint tax return

Ask your VITA volunteer for more information about the Earned Income Tax Credit (EITC).

What to Bring to your VITA Tax Appointment

- * **Valid picture ID for taxpayer and spouse**
- * **Spouse must be present if married filing joint**
- * **A Social Security card or ITIN for each family member**
- * Birthdates for taxpayer, spouse, and all dependents
- * W-2 forms for all jobs worked
- * Social Security benefits received; form SSA-1099
- * All 1099 forms for other income: 1099-R, 1099-NEC, 1099-MISC, 1099-INT, 1099-DIV, 1099-G, 1099-K, etc.
- * Education expenses, 1098-T, student loan interest paid
- * Health insurance form 1095-A or Health Savings Account form 1099-SA
- * Child care provider name, address, and tax ID
- * Home mortgage interest, real estate taxes, medical expenses, charitable contributions, etc.
- * Any other tax-related documents you have received
- * A copy of your prior year return, if available
- * Bank account information for direct deposit
- * IRS Identity Theft PIN (if IRS sent notification, then PIN is required for filing)

CHILD TAX CREDIT

The Child Tax Credit helps families with qualifying children get a tax break. You may be able to claim the credit even if you don't normally file a tax return. To be a qualifying child for the 2023 tax year, your dependent generally must:

- * Be under age 17 at the end of the year
- * Be your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of one of these (for example, a grandchild, niece or nephew)
- * Provide no more than half of their own financial support during the year
- * Have lived with you for more than half the year
- * Be properly claimed as your dependent on your return
- * Not file a joint return with their spouse for the tax year **or** file it only to claim a refund of withheld income tax or estimated tax paid
- * Have been a U.S. citizen, U.S. national, or U.S. resident alien

You qualify for the full amount of the 2023 Child Tax Credit for each qualifying child if you meet all eligibility factors. Requirements will be similar for 2024.