

Supporting Unhoused Individuals in Filing Taxes & Collecting Stimulus Payments

Federal and State stimulus payments have been a lifeline for many Americans during the pandemic. Yet for most of the County’s unhoused residents, the barriers to accessing their stimulus checks are difficult to overcome.

To receive money from the CARES Act, American Rescue Plan, the Golden State Stimulus, or the latest round of stimulus announced on May 10th by Governor Gavin Newsom, California residents must file a tax return. Californian’s can access state stimulus checks by filing their taxes through October 15, 2021.¹

For people experiencing homelessness (PEH) in Los Angeles County, filing taxes is not an easy endeavor. Many do not have access to the online and in person filing services that most individuals use to file their taxes. Furthermore, PEH may not have a form of identification or a social security card readily available to verify identity. They may not have bank accounts or mailing addresses to receive income tax refunds or

¹ <https://www.msn.com/en-us/money/smallbusiness/california-24600-stimulus-checks-deadline-for-filing-taxes-to-receive-payments-and-more/ar-BB1gjEbi?ocid=uxbndlbing>

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stimulus checks.

During the first round of stimulus payments, the Internal Revenue Service (IRS) instructed PEH, as well as anyone who didn't file taxes in 2019, to enter their information on the IRS' online non-filer tool. Volunteers across the country supported PEH to claim their checks before a Nov. 21, 2020 deadline.² The IRS is continuing to encourage supporting PEH in filing taxes so that they can receive economic impact payments and other eligible tax benefits³. Los Angeles County has an existing network of volunteer income tax assistance providers and homeless service providers that could provide the resources for PEH to access their stimulus payments if additional support is available to increase their capacity.

The IRS Volunteer Income Tax Assistance (VITA) program supports low-moderate income taxpayers, including those with limited means, disabilities and limited English proficiency, by providing free income tax preparation services to households earning less than \$57,000 annually. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals throughout the County of Los Angeles. This program is sponsored by the Internal Revenue Service (IRS) and partners with the County's Center for Financial Empowerment (CFE) under the Department of Consumer and Business Affairs (DCBA). Historically, the County of Los Angeles has had a severe shortage of VITA sites. There are less than a dozen sites serving unincorporated communities. By identifying resources and strategies that

² <https://www.marketwatch.com/story/heres-how-homeless-americans-can-get-their-1-400-stimulus-check-pass-it-on-11615973822>

³ <https://www.irs.gov/newsroom/those-experiencing-homelessness-can-get-economic-impact-payments-and-other-tax-benefits-permanent-address-not-required>

support the partnering of VITA services with the robust network of homeless services providers, the County has a unique opportunity to quickly put untapped tax credits and unclaimed stimulus money into the hands of our most vulnerable residents.

I, THEREFORE, MOVE that the Board of Supervisors direct the Department of Consumer and Business Affairs (DCBA) Center for Financial Empowerment (CFE) in collaboration with the Chief Executive Office (CEO), Los Angeles Homeless Services Authority (LAHSA), Department of Human Resources (DHR), County Counsel, and relevant stakeholders to report back in 60 days with:

1. Plan to develop VITA partnerships with homeless service providers to increase tax filings for unhoused and formerly unhoused individuals, prioritizing meeting the deadline to receive federal and state stimulus checks. The plan should include:
 - a. Process for leveraging existing case management and navigation services to address the common barriers to tax filings for people experiencing homelessness including proper identification, opening bank accounts, and mailing addresses.
 - b. Analysis on the feasibility of training existing homeless services staff as VITA volunteers and/or co-locating VITA volunteers in homeless shelters, housing sites, Project Roomkey and Homekey sites, and access centers to increase access to tax services for PEH and formerly unhoused individuals. Homeless services staff may include non-profit organizations or County departments who serve unhoused and formerly unhoused individuals.

- c. Analysis by DHR, County Counsel, and labor partners on the feasibility of recruiting County staff to serve as VITA volunteers.
2. Summary of tax filing deadlines to receive stimulus payments from CARES, ARP, the Golden State Stimulus, and Governor Newsom's latest stimulus announcement, including opportunities to request extensions past those deadlines.
3. Overview of any applicable costs and potential funding sources to execute directive one.

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