

# Tax Tips

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- ❖ You have until Tuesday, April 18, 2017, or, if you file for an extension, until October 16, 2017, to file your 2016 taxes.
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## Beware of Refund Anticipation Loans (RAL's), Fast Cash Refunds, Express Refunds and Instant Refunds

These are expensive, not much faster, and risky!

- They are short-term **loans** with high interest rates (from 40% to **700%** APR).
- They arrive only about a week before IRS refunds.
- If the IRS denies your tax refund, you still have to pay back the full amount of the loan plus interest!

## Claim the Earned Income Tax Credit (EITC)

The [Earned Income Tax Credit \(EITC\)](#) is a federal income tax credit for low-income working individuals and families. To qualify, both of these must be true for you and any children you claim:

- You all have valid Social Security numbers
- You all have lived in the U.S. for at least six months in 2016.

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- ❖ To claim the EITC, you must file a tax return.
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You may be eligible for the EITC if your income in 2016 was less than:

- \$48,340 (\$53,930 married filing jointly) with three or more qualifying children
- \$45,007 (\$50,597 married filing jointly) with two qualifying children
- \$39,617 (\$45,207 married filing jointly) with one qualifying child
- \$15,010 (\$20,600 married filing jointly) with no qualifying children

Also, your investment income must be \$3,450 or less for the year. EITC varies from \$510 to \$6,318, depending on income and family size. If you are eligible for the EITC and it is more than the amount of taxes you owe, you will get a tax refund after you file a tax return.

## Do not spend money to do your taxes!

There are free tax preparation and filing services:

**Volunteer Income Tax Assistance Program (VITA)** offers **free** tax filing services for low-income people. For the nearest VITA site, call 1-877-211-9274 or 211.

**Tax Counseling for the Elderly** has **free** tax help for people age 60 and older. For the nearest site, call 1-888-227-7669, or visit the AARP website: [www.aarp.org](http://www.aarp.org).

You can file your taxes **online free** at [www.irs.gov](http://www.irs.gov) (using the free file program) or [TaxACT at taxact.com](http://TaxACT.at.taxact.com). Your local library and Employment Security Office (WorkSource) have free internet.