

FEBRUARY 2024

News...

from the desk of
California State Treasurer Fiona Ma, CPA



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WELCOME LETTER

Dear Friends,

The 2024 tax season kicked off last month and the IRS began accepting and processing returns on January 29. The official deadline to file state and federal taxes is Monday, April 15, 2024.

As a Certified Public Accountant, I know the importance of filing your taxes and getting the money back that you deserve. That's why I've dedicated a portion of this newsletter to highlight some important tax tips. Please turn to page 3 to learn about several tax credits that may reduce the taxes you owe or increase your refund. Also, as you prepare your taxes, please be vigilant of tax scams. A summary of tax-related scams can be found on page 5.

Last month, my office welcomed our new Executive Director of the California Tax Credit Allocation Committee and the California Debt Limit Allocation Committee, Marina Wiant. To learn more about Marina, please turn to page 6.

In closing, I wish you all growth, progress, health, and abundance in the Year of the Wood Dragon. Happy Lunar New Year!

In Peace and Friendship,

A handwritten signature in black ink, appearing to be "Fiona Ma".

Fiona Ma, CPA
California State Treasurer

This newsletter is not intended to be and should not be used for making investment decisions about State of California bonds or notes. Potential investors should always obtain and read the Official Statement published by the State for each issue.

Past performance does not guarantee future results. Investment return and principal value may fluctuate, so account value in State Treasurer's Office savings programs at the time of the withdrawal may be higher or lower than the amount invested.

This material is not intended to provide, and should not be relied on, for tax, legal or financial advice.



The State Treasurer's Office and its Boards, Commissions, and Authorities are hiring! Check out our career opportunities [here](#).

For more information about our programs and upcoming events, please visit:
<https://www.treasurer.ca.gov>

ASK FIONA

Dear Fiona,

What are your thoughts on Governor Newsom’s projection of a \$38 billion shortfall in 2024? What is California’s economic outlook for the year ahead?

Sincerely,

Danielle

.....

Dear Danielle,

Compared to previous deficits, state and federal macro-economic indicators are strong, and California maintains ample cash resources to draw upon if needed. We are much better situated to withstand this deficit with minimal impact to state government operations.

The Governor’s proposed 2024 budget preserves funding for critical programs and services, including climate change, education, and small business initiatives. I look forward to working with the Governor and California Legislature to ensure a sensible budget that serves all Californians is enacted.

Sincerely,

Fiona



Have a Question for the Treasurer?

Send emails to:

AskFiona@treasurer.ca.gov, with the subject line: "Ask Fiona"

Address letters to:

California State Treasurer Fiona Ma
Post Office Box 942809
Sacramento, CA 94209-0001

2024 Tax Season Tips

Income Tax Credits for Low-Income Workers

It pays to file your taxes! You may qualify for cash-back tax credits that can increase your refund when you file your taxes. That's money you can use for rent, tuition, utilities, groceries, and other important expenses.

Low-income workers, including ITIN holders, may be eligible to claim the following tax credits:

- [California Earned Income Tax Credit](#) (up to \$3,529 cash back)
- [Federal Earned Income Tax Credit](#) (up to \$7,430 cash back)
- [California Young Child Tax Credit](#) (up to \$1,117 cash back)
- [California Foster Youth Tax Credit](#) (up to \$1,117 cash back)

These tax credits can combine to put hundreds or even thousands of extra dollars in your pocket. If you file taxes in California and earned \$30,950 or less in 2023, you may be eligible for the California Earned Income Tax Credit (CalEITC). If you qualify for CalEITC and have a child under the age of 6, you may also be eligible for the California Young Child Tax Credit (YCTC). For the tax year 2022 and forward, if you meet all other requirements, you do not need income to be eligible for the YCTC.

IT'S YOUR MONEY GET IT!
EARNED INCOME TAX CREDIT

**GET YOUR MONEY!
FILE YOUR TAXES!**

HELP FOR LOWER-INCOME WORKERS:

- **California Earned Income Tax Credit**
(up to **\$3,529** cash back)
- **Federal Earned Income Tax Credit**
(up to **\$7,430** cash back)
- **California Young Child Tax Credit**
(up to **\$1,117** cash back)
- **NEW California Foster Youth Tax Credit**
(up to **\$1,117** cash back)

ITIN Filers Are Eligible!
(state credits only)

Visit ftb.ca.gov/caleitc for potential credits.
Find out more about our **FREE** tax services at:
ftb.ca.gov/calfile | ftb.ca.gov/vita

Note: Information is for tax year 2023

This year marks the second year of the California Foster Youth Tax Credit (FYTC). In its first year of implementation, more than 4,700 youth received the FYTC, collectively receiving nearly \$5 million. You may qualify for FYTC if you meet all the following requirements:

- Earned between \$1 and \$30,931 from any work in 2023.
- Were age 18 through 25 on December 31, 2023.
- Were in California foster care at age 13 or older.

It's easy to find out how much you might be able to boost your tax refunds this year with the CalEITC and YCTC - just use the [CalEITC4Me Calculator](#).

College Access Tax Credit

Tax filers who contribute to the [College Access Tax Credit Fund](#) may be eligible for a tax credit equal to 50% of their contributions. This fund is administered by the California Education Facilities Authority, which is chaired by Treasurer Ma. A portion of these contributions goes to the California Student Aid Commission, which administers the state's Cal Grant program. Cal Grants are awarded to students pursuing an undergraduate degree or vocational training at qualifying colleges and who have family income and assets below certain levels.

2024 Tax Season Tips

CONTINUED

Free Tax Preparation Assistance



Do you need help filing your tax returns? The IRS administers the Volunteer Income Tax Assistance (VITA) Program to provide free in-person or online basic tax return preparation services for low- and moderate-income taxpayers. There are also options to file online on your own for free. For more information and to find a tax preparation location near you, visit [MyFreeTaxes.org](https://www.irs.gov/FreeTaxes) or [CalEITC4me.org](https://www.calitc4me.org).

If you're looking to give back to your community and want to volunteer for the VITA program, text the word VOLUNTEER to 211-211. Volunteer opportunities are available in-person or virtually.

Save for the Future

To get a head start on saving for the future, consider investing your tax refund into one of the three savings programs administered by the State Treasurer's Office:

- [ScholarShare 529](#), California's official college savings plan, helps families save for their children's higher education expenses. One great advantage of this program is that earnings are tax-free if they are spent for qualified higher education expenses. ScholarShare529 even coordinates with the FTB to make it easy to deposit your tax refund directly from the FTB into your college savings account.
- [CalABLE](#) allows those who are living with a disability that occurred before age 26, in most cases, to open a tax advantaged savings and investment account. Earnings are tax-free if the funds are used to pay for disability related expenses. In addition, assets in a CalABLE account of up to \$100,000 do not affect your eligibility to receive state and federal benefits such as Supplemental Security Income (SSI) and Medicaid.
- [CalSavers](#) helps those who do not have access to an employer-based retirement plan save for their own retirement. This program provides Californians with a simple, portable, low-cost way to invest in their futures. Individuals do not need to sign up for CalSavers through an employer. They can sign up on their own online, by phone, or through the CalSavers mobile app. It takes just a few minutes to get started and savers can pick from a simple menu of high-quality investment options.

Voluntary Contribution Funds

Did you know that you can make a charitable donation when you file your state income taxes? By opting to donate on your state income tax return, you can provide vital financing to critical programs that serve the essential needs of Californians. There are a number of [voluntary contribution funds](#) to choose from, including the California Breast Cancer Research Fund, Rape Kit Backlog Fund, California Firefighters' Memorial Fund, and Suicide Prevention Fund.

Making a donation is easy! When preparing your California income tax return, go to the "Contributions" section, choose the fund(s) you wish to support, and enter your donation amount. You can contribute as little as \$1.00. Your donation is tax deductible when you file your taxes next year.

Get Banked

The safest and quickest way to receive your tax refund is by choosing direct deposit when you file electronically. If you don't have a bank account, visit [FDIC.gov/GetBanked](https://www.fdic.gov/getbanked) to get started.



Beware of Tax Scams

Tax scams are especially prevalent during tax filing season. Remember, if it sounds too good to be true, it probably is! Beware of these top consumer scams:



Employee Retention Credit Claims: Be aware of aggressive pitches from scammers who promote large refunds related to the [Employee Retention Credit \(ERC\)](#).

Social Media: Fraudulent Form Filing and Bad Advice: Avoid schemes circulating on social media encouraging you to submit false, inaccurate information to get a refund.

Unscrupulous Tax Return Preparers: Be careful when choosing a tax preparer. Avoid tax professionals who charge a fee based on the size of your refund or who are unwilling to sign your return.

False Fuel Tax Credit Claims: Deceitful tax preparers are persuading taxpayers to falsely claim the fuel tax credit to get a larger refund. This credit is meant for off-highway businesses and farming use and is not available to most taxpayers.

Offer in Compromise Mills: Beware of people claiming their services are needed to settle with the IRS, that your debts can be settled for “pennies-on-the-dollar,” or that there is a limited window of time to resolve tax debts through the Offer in Compromise program.

Fake Charities: Scammers set up fake charities to take advantage of the public's generosity. They seek money and personal information, which can be used to further exploit victims through identity theft.

Phishing and Smishing: Criminals use emails (phishing) and text (smishing) to attempt to steal personal and financial information. Scammers often pose as legitimate organizations in the tax and financial community, including the IRS. The IRS initiates most contacts through regular mail and will never initiate contact with taxpayers by email, text or social media regarding a bill or tax refund.

Online Account Help from Third-Party Scammers: Beware of scammers posing as a "helpful" third party to help you set up your online account. This is an attempt to steal your personal information.

If you believe you are a victim of a tax-related scheme or identity theft, learn how to report the crime by visiting the IRS's webpage, [How Do You Report Suspected Tax Fraud Activity?](#)

Welcome Marina Wiant – New Executive Director of the California Debt Limit Allocation Committee and the California Tax Credit Allocation Committee



Treasurer Ma recently appointed Marina Wiant as Executive Director of the [California Debt Limit Allocation Committee](#) (CDLAC) and the [California Tax Credit Allocation Committee](#) (CTCAC). Both committees are chaired by Treasurer Ma and play a critical role in financing the construction of affordable rental housing in California.

Wiant most recently served as vice president of government affairs at the California Housing Consortium (CHC), a statewide, nonpartisan advocate for the production and preservation of housing affordable for low- and moderate-income Californians.



At CHC, Marina led a policy and advocacy team that secured the passage of a range of legislation, ballot measures, and budget resources that have transformed the affordable housing industry—including the state's first permanent source of funding for affordable housing since redevelopment and its last statewide housing bond, as well as groundbreaking legislation that has opened new sites to affordable development and accelerated local approvals. Prior to CHC, Wiant was a legislative assistant in the California State Assembly.



"Marina's intricate knowledge of California housing and land use policy, and years of experience as an affordable housing advocate make her an excellent fit to lead CTCAC and CDLAC. California needs innovative and creative ways to increase the number of affordable housing units and get the most out of those resources. I'm excited for her to join the team and get to work for California."

- State Treasurer Fiona Ma

Pictured left: State Treasurer Ma with Marina Wiant, new Executive Director of CDLAC and CTCAC.
(Photo Credit: Executive Office, State Treasurer's Office)

In the Community

January 1 (San Francisco): The Duck Sin Benevolent Association of San Francisco held its annual induction ceremony, inaugurating its president and vice president for the 2024-2025 service year. San Francisco Chinatown's community leaders and members gathered to witness Kevin Chan and Danny Houng being sworn in as president and vice president, respectively. State Treasurer Fiona Ma's office presented certificates of recognition to the newly minted leaders, thanked them for their years of service to the community, and wished them a great year of service ahead.

Right: State Treasurer's Office External Affairs Manager Christian Daly (center) presents certificates of recognition to the Duck Sin Benevolent Association's new president, Kevin Chan (left), and vice president, Danny Houng (right), during its 2024 Induction Ceremony.

(Photo Credit: External Affairs Division, State Treasurer's Office)



January 8 (Sacramento): The California Contract Cities Association (CCCA) held its annual Sacramento Legislative Tour in California's Capitol City. State Treasurer Ma was honored to kick off the two-day event with a keynote address to over 100 local elected officials representing their respective cities. The annual event offers CCCA members a valuable opportunity to connect with state legislators, leaders, and constitutional officers, allowing them to convey real-life stories about issues affecting cities.

Left: California Contract Cities Association (CCCA) Executive Board Member and City of West Hollywood Mayor Pro Tempore John Erickson (left); and CCCA President and Beverly Hills Mayor Dr. Julian Gold (right) welcome State Treasurer Fiona Ma to the Annual Sacramento Legislative Tour.
(Photo credit: Communications Division, State Treasurer's Office)

January 9 (Oakland): On a rainy January morning, State Treasurer Ma, along with Deputy Treasurer Khaim Morton, toured the Radius Recycling facility along the waterfront of Oakland. As one of North America's largest metals recyclers, Radius facilities acquire, process, and recycle millions of long tons of ferrous metals and hundreds of millions of pounds of nonferrous metals each year.

These recycled metals represent critical feedstock in the global economy, supporting the production of bridges, buildings, cars, public transit, and passenger rail systems, and appliances, as well as more metal-intensive technologies, such as wind turbines, hydropower dams, advanced battery storage systems, upgraded electricity lines and electric vehicle charging stations, new broadband and reliable high-speed internet technology, and data centers.

Right: Treasurer Ma tours Radius Recycling's Oakland facility along with industry expert and Chief Operating Officer of Radius Recycling, John Hebert.
(Photo credit: External Affairs Division, State Treasurer's Office)



In the Community

CONTINUED

January 11 (El Monte): State Treasurer Ma, alongside state and local elected officials, visited the Mountain View School District (MVSD) and boarded a school bus to visit Miramonte Elementary School and Parkview School to learn about MVSD's robotics, studio arts, Mandarin immersion, and other programs each school offers. MVSD is a K-8 school district located in El Monte, in the San Gabriel Valley, that includes eight schools serving an estimated 4,600 students.

Prior to the school site visits, MVSD school board members and administration shared their concerns about school funding determined by daily attendance and fiscal challenges due to declining enrollment.



"We were proud to welcome Fiona Ma, California State Treasurer and thank her for giving us her gift of time and continuing to demonstrate her passion for education and the wellbeing of Californians overall. She is a valued educational partner and her support enables our District to continue its mission of inspiring each student to succeed every day."

**- Dr. Raymond Andry, Superintendent,
Mountain View School District**

Treasurer Ma with elected officials and other dignitaries during a tour stop at Parkview School in the Mountain View School District (MVSD). Pictured (left to right) – Dr. Andry, MVSD Superintendent; Christian Diaz, MVSD Board President; David Siegrist, El Monte City School District Board Member; Michelle Hamilton, Parkview School Dean of Instruction; Isaac Trujillo, CSEA President; Jaqueline Amaya, Founder of Cultural Bytes Language Program; Cindy Wu, MVSD Board Member; Dr. Angelica De La Rosa, Parkview Principal; Treasurer Fiona Ma; Jessica Ancona, El Monte Mayor; Theresa Dryfuss, former President of Rio Hondo College; Estela Torres de Siegrist, El Monte High School District Board Member; Qui Nguyen, El Monte High School District Board Member; Veronica Sifuentes, MVSD Board Member; Victoria Burl, El Monte Parks, Recreation and Community Services Manager.

(Photo credit: Mountain View School District)



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STATE TREASURER'S OFFICE**

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