

ADVOCATE ALERT

I OPERATE A BABYSITTING SERVICE OUT OF MY HOME...I WORK AS A PART-TIME TAXI DRIVER...I OWN MY OWN SMALL BUSINESS...I'M A HOME HEALTH AIDE...I AM A SEASONAL CONSTRUCTION WORKER...I OWN A FOOD VENDOR CART... FOR EXTRA CASH, I CLEAN HOUSES...I TUTOR CHILDREN IN MY CHURCH...I'M A HANDYMAN...I WORK IN A NAIL SALON...

HELP ENSURE FAIR ACCESS TO NYS EARNED INCOME TAX CREDITS

Do you work with clients who **qualify for the New York State Earned Income Credit ("EIC"), and**

- ▶ Report all or part of their earnings as **cash**; or
- ▶ Are **self employed**/own their own business?

Have these clients been **rejected for the EIC, notified of an NYS audit, have a current audit or an appeal proceeding?**

NYS Tax Advocates are reporting higher rates of EIC applicant rejections and audits, especially when the applicant is a cash earner or self employed.

The Financial Clinic and New York Appleseed are working with New York City tax service providers to address the obstacles faced by self-employed individuals and cash earners seeking to obtain the NYS EIC. Your experiences will help us understand the scope of the problem, and advocate for effective policy changes—including clearer documentation guidelines and fair audit procedures.

For more information, email EIC@appleseednetwork.org.



Appleseed



...I SELL CRAFTS AT LOCAL FAIRS...I WORK NIGHTS AS A BARTENDER...I WORK AS A DELIVERYMAN...I'M A WAITRESS AT A SMALL RESTAURANT...I AM A CARPENTER...I DRIVE A LOCAL DOLLAR VAN...I GIVE GUITAR LESSONS...ON WEEKENDS, I CUT HAIR IN MY HOME...I AM A PART-TIME PERFORMER...I AM A DOMESTIC WORKER...I FIX COMPUTERS PART-TIME...

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THE PROBLEM

Individuals who are eligible for the NYS EIC and who report some or all of their income as cash and/or are self-employed face **higher rejection rates** and a **higher chance of being audited by state tax authorities**.

At the same time, the **laws and regulations governing access to EICs** are unclear and unfairly penalize cash-earning or self-employed EIC applicants.

HOW CAN I HELP?

- 1 **TALK TO YOUR CLIENTS ABOUT THEIR EIC EXPERIENCES** See the attached survey, which includes typical questions for cash earners and self-employed EIC applicants.
- 2 **PROMOTE BETTER RECORDKEEPING** You should discuss how an EIC applicant can best document his or her income. More information on recordkeeping is available at www.financialclinic.org.
- 3 **CONTACT THE FINANCIAL CLINIC AND NEW YORK APPLESEED IF YOUR CASH-EARNER/SELF-EMPLOYED EIC APPLICANT CLIENTS HAVE BEEN REJECTED OR AUDITED** Email EIC@appleseednetwork.org and let us know what you've seen in the field.
- 4 **JOIN OUR COALITION OF ADVOCACY PARTNERS**—including low-income tax service providers, legal and financial access advocates—and **work with Albany to change the policies so all eligible applicants can obtain critical EIC benefits!**



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