

## CITY OF CHICAGO • OFFICE OF THE MAYOR

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**CONTACT:** Mayor's Press Office 312.744.3334 press@cityofchicago.org

## TAX PREP CHICAGO SITES OPENING CITYWIDE THIS SATURDAY

City continues free tax prep services and helps residents take advantage of EITC eligibility

CHICAGO – Mayor Lori Lightfoot and the Chicago Department of Family & Support Services (DFSS) today announced that on-site locations for the City's free tax assistance program, Tax Prep Chicago, will open this Saturday, February 1. Residents who match the program's income requirements will receive free tax preparation service and assistance in determining their eligibility for the Earned Income Tax Credit (EITC), which is available for residents with low to moderate incomes.

"Chicago is dedicated to ensuring all our residents and working families have access to the\_resources they need to alleviate financial hardship and build for their future," said Mayor Lori Lightfoot. "Programs like the Earned Income Tax Credit are among the many critical tools we want to help workers utilize in order to obtain larger income tax refunds.

DFSS, in partnership with local nonprofit Ladder Up, will host 15 Tax Prep Chicago sites from February 1 to April 15 for families earning up to \$56,000 per year and individuals earning up to \$30,000 per year. In addition to bringing year-end income statements and personal identification such as a State ID, driver's license and social security card, residents are encouraged to arrive early as services are offered on a first-come, first-served basis at most sites.

Site hours, locations and a full list of documents residents should bring are available at <u>TaxPrepChicago.org</u> and the City's helpline, 311.

"Each year, thousands of eligible households do not claim key tax credits – leaving millions of dollars unclaimed," said DFSS Commissioner Lisa Morrison Butler. "In Chicago, we are rewriting that narrative by bridging access to free tax services and equipping our residents for a more financially-empowered future."

Research shows that the EITC is one of the most successful anti-poverty programs in the country, as it boosts the income of working families earning low wages by offsetting income and payroll taxes and incentivizing workforce participation. Each year, an estimated 546,000 Chicagoans are eligible to receive the EITC, and an estimated 276,000 children live in these households.



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"For many of our clients, their tax refund is the biggest paycheck they receive all year. We are pleased to partner with the City to ensure that Chicagoans get their full refund by having our IRS-certified volunteers prepare their returns free of charge," said Ladder Up Executive Director Christine Cheng.

In 2019, Tax Prep Chicago helped more than 17,000 Chicago families and individuals receive more than \$26 million in tax refunds and credits, with roughly one-third of clients claiming the federal EITC, at an average credit of \$1,500 per eligible return.

"It's important that all Chicago residents keep more of their hard-earned money in their own pockets this tax season," said 32nd Ward Alderman Scott Waguespack. "Through programs like Tax Prep Chicago, we are ensuring working families have the tools and resources they need to take advantage of critical tax relief."

Paired with the Lightfoot administration's expansion of benefits for low-wage workers, including the passage of a \$15 minimum wage by 2021, the EITC offers a powerful opportunity for the City to help residents generate upwards of thousands of dollars in additional net income in 2020.

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