# University of Washington Federal Tax Clinic

Phone: (206) 685-6805

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Hours: Monday - Friday 9am-5pm

# What services does the Clinic provide?

- The clinic advises and represents taxpayers at all stages of a dispute with the IRS, from audits and collections to cases before the United States Tax Court
- Common cases involve:
  - Earned Income Tax Credit and dependency
  - Small business audits
  - Innocent spouse relief
  - Penalties
  - Collection
  - Non-filers and unreported income
  - Refund issues
  - Collection matters, including offers in compromise

# Who can receive representation from the Clinic?

- Clinic services are available to those making less than 250% of federal poverty guidelines (amount varies based on household size):
  - 1 person = $39,125
  - 2 people = $52,875
  - 3 people = $66,625
  - 4 people = $80,375
  - 5 people = $94,125

# Potential Relief from Tax Debt

Offer in Compromise:

- Agreement with the IRS that allows a taxpayer to settle their debt for less than the original amount owed
- Based on what you can realistically afford, considering income, expenses, assets, and ability to pay
- Taxpayer must pay agreed amount in full
- Taxpayer must be compliant with prior taxes and stay current with future taxes

Currently Not Collectible:

- Collection status that means you cannot afford to pay anything right now
- IRS temporarily stops collection (pauses levies and wage garnishments)
- Interest and penalties continue to accrue
- Periodic review of financial situation

# Filing Requirements for Citizenship

- Both applicants for immigrant visas and naturalization are asked questions associated with their tax filing history
- For immigrants, it is crucial to be in compliance with prior and future tax filings as well as payments
- Free and low cost tax preparers can assist taxpayers with filing tax returns including the IRS Volunteer Income Tax Assistance Program
- The Clinic can assist taxpayers in seeking relief for tax debt or establishing a payment plan with the IRS

# Child Tax Credit (CTC)

- **CTC** can be worth **up to $2,200 per qualifying child** (2025).
- **Who qualifies (basics):** child is **under 17**, claimed as your dependent, meets relationship/residency/support rules, and has a valid **SSN**.

# Earned Income Tax Credit (EITC)

- **What it is:** a refundable credit for **low-to-moderate income workers**; credit amount increases with qualifying children.
- **Key eligibility factors:** earned income, filing status, investment income limits, and (if no qualifying child) age requirements (generally **25–64**).
- **Why refunds can be delayed:** if you claim EITC (and sometimes ACTC), refunds are often held until **mid-February** by law.
- **Helpful tool:** IRS “EITC Assistant” helps check eligibility/estimate credit.

# How to read an IRS letter/notice

**Find the notice number** (top right, like **CP14, CP2000, CP75**). The code tells you what the IRS is asking for.

**Match the notice type to the action:**

- **CP14:** IRS says you **owe a balance** (pay, set up a plan, or dispute).
- **CP2000: proposed changes** because IRS info (W-2/1099) doesn't match your return; **not a bill**, but you must respond if you disagree.
- **CP75:** IRS is **auditing** your return to verify credits like **EITC/ACTC**; they may **hold your refund** while reviewing documentation.

# Where to call / where to get help

**IRS general individual help line: 1-800-829-1040** (hours vary; typically weekdays).

**In-person help (Taxpayer Assistance Center):** make an appointment by calling **844-545-5640**.

**Tip for calling:** have the notice letter, tax return, SSNs/ITINs, and any supporting documents in front of you.