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New program helps L.A. County families claim \$500M in unused tax credits

Economic Security California and Los Angeles County’s ‘Claim Your Cash’ pilot program, launched in time for Tax Day, is part of an effort to make tax credit delivery automatic

Los Angeles, CA, Feb. 22, 2024— A new pilot program in Los Angeles County aims to help families get the \$500 million in tax credits that Angelinos qualify for each year but do not claim. Working in collaboration with the Los Angeles County CEO’s Office, Koreatown Youth & Community Center (KYCC), and other partners, Economic Security California (ESCA) aims to connect a minimum of 3,000 low-income families to state and federal tax credits via the “Claim Your Cash” Pilot Program. The program targets people receiving county services and facilitates a “warm handoff” to organizations that provide free income tax preparation through the Volunteer Income Tax Assistance (VITA) program.

Depending on income and number of children, a family taking advantage of the program could get up to \$10,000 in state and federal tax refunds. The program seeks to rectify a situation where many people using county services — often the ones on the tightest budgets — are not claiming the tax credits that they qualify for.

“Filing taxes and getting the refunds you qualify for is difficult and time consuming and far too many people don’t get the cash they should as a result. This pilot program takes an important step toward establishing a tax system where the government, not the individual, is working to ensure everyone gets the money they qualify for,” said **Economic Security California Director Teri Olle**. “Put simply, we want taxes to be easier so families can focus on where they are going to spend their refund. These unclaimed credits should be going into household budgets and our local economies.”

[Research](#) has revealed that a significant proportion of low-income California households, including a disproportionate number of Black, Latinx, and Indigenous households, miss out on cash payments through

state and federal tax credits and stimulus programs. This results in hundreds of millions of dollars in unclaimed credits and refunds every year in Los Angeles County alone.

The collaboration between L.A. County, ESCA, and KYCC aims to tackle the problem by bridging the gap between social services recipients and federal and state tax credits such as the Earned Income Tax Credit, Federal Tax Credit, CalEITC, and Young Child Tax Credit which often go unclaimed. During an appointment or other interaction with a county government agency (such as the Department of Children and Family Services or a home visit with the Department of Public Health), county staff will raise tax filings, asking if the person has claimed the credits they qualify for. If not, the county staff member will directly connect the client to a trusted community organization via the Claim Your Cash Call Center Hotline (888-844-3276) that can provide free tax preparation. Once the connection has been made, the VITA partner will ensure the person files their taxes and claims the credits.

“This program will shift the burden that individuals experience when interacting with the government, which functions as a ‘time tax’ on low-income households,” said **Mónica V. Lazo, Southern California Program Director for Economic Security California**. “It will make filing taxes less burdensome, confusing, and knock down barriers to access for low-income families, immigrants, and anyone for whom English is a second language.”

“Connecting residents with vital services and resources — including free tax preparation — is vitally important to helping lift families out of poverty,” said **Kristina Meza, Executive Director of Los Angeles County’s Poverty Alleviation Initiative**. “Leaving hundreds of millions of dollars in tax credits on the table is a disservice to LA County’s hardworking families. We’re hopeful that this new pilot program will put more money back into the pockets of the families who qualify and make a real difference in their lives.”

“Helping our families claim all the tax credits they qualify for is a priority for us,” said **Johng Ho Song, Executive Director of the Koreatown Youth & Community Center (KYCC)**. “We are appreciative of our partnership with the LA County CEO’s Office and Economic Security California in this pivotal pilot program, and we look forward to seeing the economic impact in our community when people have more money in their pockets to meet basic needs and plan for their future.”

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[Economic Security California \(ESCA\)](#), an affiliate of Economic Security Project, builds economic power and promise for all Californians. By fighting consolidated corporate power and advocating for cash policies, we build a resilient economy so every Californian has the freedom and stability to thrive.