



Low-Income Taxpayer Clinics

Low-Income Taxpayer Clinics (LITCs) are programs at law schools, accounting schools or legal services offices which can provide assistance and legal representation to low-income taxpayers who are in disputes with the IRS. Some LITCs are nonprofit organizations which provide community tax education programs in communities where the primary language is one other than English and may provide free tax preparation services as part of their program. For 2009, the IRS awarded 162 LITC grants in all 50 states, D.C., Puerto Rico and Guam. Outreach Campaigns can refer workers to LITCs if they need special help resolving tax problems.

LITCs can provide legal assistance. Many LITCs can provide legal representation to low-income taxpayers involved in disputes with the IRS. LITCs can often assist workers who:

- have been denied an EIC or CTC claim and wish to appeal the IRS decision;
- have received a notice from the IRS stating their EIC or CTC claim was in error and demanding repayment;
- owe back taxes and need assistance negotiating a payment plan with the IRS for paying the taxes owed; and
- have not received proper wage documentation from their employer.

LITCs can help taxpayers understand IRS notices and avoid severe penalties. The notices low-income taxpayers receive from the IRS are often complex and intimidating. LITCs can provide a valuable service to taxpayers by helping them understand the request and assemble information required by the IRS. Taxpayers must respond to notices within a prescribed period of time or the IRS may act to collect additional taxes, including repayment of previously issued refunds and penalties. In some cases, IRS denial of the EIC can restrict the family's ability to claim the credit in future years. IRS notices often do not deny a taxpayer's refund claim outright, but may ask for further documentation. IRS denials of claims are not always accurate and are often reversed after the taxpayer submits additional information. *For a list of LITCs and contact information, go to:* www.irs.gov/pub/irs-pdf/p4134.pdf.

To become an LITC: The IRS will issue a notice in the spring of 2010 soliciting applications for 2011. Applications typically are due on July 1. If your organization is interested in becoming an LITC, more information is available from the LITC program Office at (202) 283-9802. *You may obtain a free copy of IRS Publication 3319, "2010 Low Income Taxpayer Clinics Application Package and Guidelines," by calling 1-800-TAX-FORM or at the IRS website: www.irs.gov/formspubs.*