October 21, 2016

TO: ALL IN-HOME SUPPORTIVE SERVICES PROGRAM MANAGERS

SUBJECT: MASS MAILING AND TIMESHEET INSERT NOTICE RELATING TO INTERNAL REVENUE CODE 131; INTERNAL REVENUE SERVICE (IRS) NOTICE 2014-7

The California Department of Social Services (CDSS) has engaged the system vendor to perform a mass mailing to providers who were identified in CMIPS as having the same address as their recipient and therefore candidates to claim the IRS Wage Exclusion from Federal Income Tax (FIT).

Please see the attached ‘Live-In Provider Self-Certification Information Notice’ and the ‘Live-In Self-Certification Form For IRS Federal Tax Wage Exclusion’ (SOC 2298) which will be mailed to approximately 240,000 providers statewide. The mailing informs the provider of the IRS Exclusion, provides the instructions to claim the exclusion and provides the form SOC 2298 to self-certify their living arrangements. The mailing to providers will begin the week of October 24, 2016.

In addition to the mailing, CDSS has engaged the timesheet print vendor to insert the attached notice, dated November 1, 2016, to accompany each provider timesheet created and mailed beginning November 1, 2016, through November 15, 2016. This notice supplies the providers with an overview of the IRS Exclusion and information for obtaining the SOC 2298 form.

Additional information regarding the CMIPS modifications planned for December 2016, to support the IRS ruling for excluding IHSS and WPCS wages from Federal income tax will be provided in a forthcoming ACL.

Please contact the County Assistance Line at (916) 551-1003 for questions regarding the mailings.

Sincerely,

Original document signed by

SUE QUICHOCHO, Chief
Systems and Administrative Branch
Adult Programs Division

c: CWDA