

News...

from the desk of
California State Treasurer Fiona Ma, CPA



WELCOME LETTER

Dear Friends,

February marks the beginning of tax season, and for many Californians it's a busy but important time of year to get organized, file tax returns, and take advantage of valuable savings opportunities. In this month's newsletter, we're focusing on resources that can help households, workers, and small businesses navigate the season with confidence.

On pages 3 and 4, you'll find tax tips that highlight ways to reduce your tax burden and claim credits you may be eligible for. On page 5, we share information about common tax scams targeting taxpayers during peak filing months. Protecting Californians from fraud remains a top priority, and staying informed is one of the most effective safeguards.

This month, we also spotlight several new laws that took effect in California on January 1, 2026. These changes span workers' rights, healthcare affordability, consumer protections, and emerging technologies such as artificial intelligence. As our economy evolves, these policies play an important role in supporting financial security, transparency, and equitable access to services across our state.

As February is also Black History Month, I want close by honoring the Black leaders, organizers, and community members who continue to drive progress across California. My office is proud to stand in solidarity with efforts that advance opportunity, dignity, and constitutional rights for all. Be sure to visit the "In the Community" section on page 9 for a highlight from this year's Los Angeles Official MLK Day Parade.

In Peace & Friendship,

Fiona Ma, CPA
California State Treasurer

Table of Contents

- p.1 **Welcome Letter**
- p.2 **Ask Fiona**
- p.3 **2026 Tax Tips**
- p.5 **Beware of Tax Scams: How to Protect Yourself this Tax Season**
- p.6 **New California Laws Taking Effect January 1, 2026**
- p.7 **Office Buzz**
- p.9 **In the Community**

This newsletter is not intended to be and should not be used for making investment decisions about State of California bonds or notes. Potential investors should always obtain and read the Official Statement published by the State for each issue.

Past performance does not guarantee future results. Investment return and principal value may fluctuate, so account value in State Treasurer's Office savings programs at the time of the withdrawal may be higher or lower than the amount invested.

This material is not intended to provide, and should not be relied on, for tax, legal or financial advice.



We've Moved!

The California State Treasurer's Office has officially returned home to the Jessie Unruh State Office Building at **915 Capitol Mall, Sacramento, CA 95814**.

After a temporary relocation during renovations, our team is once again working from this historic downtown Sacramento location.

For more information about our programs and upcoming events, please visit:

<https://www.treasurer.ca.gov>

Dear Fiona,

With energy costs rising, I'm struggling to pay my gas and electric bill. Are there any resources that can help me?

Sincerely,

Leah

Dear Leah,

Rising energy costs are a challenge for many Californians, but there are several programs designed to help households manage bills and reduce energy usage.

For direct assistance, low-income residents may qualify for programs like the [California Alternate Rates for Energy \(CARE\) program](#) or the [Family Electric Rate Assistance \(FERA\) program](#), which provide discounts on electricity and gas bills. Your utility company can help you apply and explain the benefits available in your area.

The State also supports energy efficiency upgrades that can lower monthly bills over time. Incentives are available for improvements such as weatherization, energy-efficient appliances, LED lighting, and rooftop solar systems. Programs like [Energy Upgrade California](#) and utility-specific rebates make these upgrades more accessible and affordable.

Additionally, my office helps finance energy efficiency projects that can lower energy bills through the [GoGreen Financing Program](#), administered by the California Alternative Energy and Advance Transportation Financing Authority, which I chair.

California is also investing in clean energy and grid modernization projects, which aim to stabilize energy costs and make the system more resilient for everyone.

For more information, visit www.cpuc.ca.gov or contact your local utility provider to see which programs you may qualify for.

Sincerely,

Fiona



Have a Question for the Treasurer?

Send emails to:

AskFiona@treasurer.ca.gov, with the subject line: "Ask Fiona"

Address letters to:

California State Treasurer Fiona Ma
Post Office Box 942809
Sacramento, CA 94209-0001

Tax season is a key opportunity to strengthen your financial future. As you prepare to file your 2025 tax return in 2026, be sure to take advantage of available credits, savings programs, and free resources that can help you maximize your refund and plan ahead.

File Early and Stay Informed

Filing your taxes early can help you receive your refund faster and reduce the risk of fraud. Most Californians are required to file their state and federal income tax returns by April 15, 2026, unless an extension or special relief applies. Be sure to check the California Franchise Tax Board (FTB) and Internal Revenue Service (IRS) websites for the most up-to-date filing guidance.

Cash-Back Tax Credits for Low- and Moderate-Income Workers

It pays to file your taxes—even if you don't owe any money. Many Californians may qualify for refundable tax credits that can significantly increase their refund. Eligible workers, including ITIN holders, may be able to claim:

- [California Earned Income Tax Credit \(CalEITC\)](#) – up to \$3,756 in cash back, depending on income and family size
- [Federal Earned Income Tax Credit \(EITC\)](#) – up to \$8,046 in cash back
- [California Young Child Tax Credit \(YCTC\)](#) – up to \$1,189 in cash back for families with young children
- [California Foster Youth Tax Credit \(FYTC\)](#) – up to \$1,189 in cash back (\$2,378 for married couples if both individuals qualify) for eligible current and former foster youth

These credits can add up to hundreds or even thousands of dollars that can be used for everyday expenses like rent, groceries, utilities, or education. To see what you may qualify for, use the FTB's [Earned Income Tax Credit Calculator](#).

College Access Tax Credit: Support Students and Save on Taxes

Tax filers who contribute to the College Access Tax Credit Fund are eligible for a state tax credit equal to 50% of their contribution. The fund is administered by the [California Education Facilities Authority](#), chaired by State Treasurer Fiona Ma.

A portion of these contributions support the [Cal-HBCU Transfer Grant Program](#), which awards grants of up to \$5,000 to eligible students transferring from California Community Colleges to eligible Historically Black Colleges and Universities (HBCUs). Your contribution can help expand college access, while reducing your tax bill.

Free Tax Preparation Help

Free help is available if you need assistance filing your tax return. The IRS Volunteer Income Tax Assistance (VITA) Program offers free, basic tax preparation services for qualifying low- and moderate-income taxpayers, seniors, people with disabilities, and limited-English speakers. Services are available in person and online. To learn more or find help near you, visit [MyFreeTaxes.org](#) or [CalEITC4Me.org](#).

Interested in giving back? You can volunteer with the VITA program by texting VOLUNTEER to 211-211. Opportunities are available both in person and virtually.



Put Your Refund to Work: Save for the Future

Your tax refund can be a powerful tool for long-term savings. Consider directing some or all of your refund into one of these programs administered by the Boards housed within the State Treasurer's Office:



- [ScholarShare 529](#) – California's official college savings plan helps families save for higher education with tax-free earnings when used for qualified expenses. You can deposit your state tax refund directly into a ScholarShare account.
- [CalABLE](#) – Tax-advantaged savings accounts for individuals with disabilities that began before age 46. Earnings are tax-free when used for qualified

disability-related expenses, and balances of up to \$100,000 do not affect eligibility for SSI or Medi-Cal.

- [CalSavers](#) – A simple way for workers without an employer-sponsored retirement plan to save for retirement. Californians can enroll online, by phone, or through the CalSavers mobile app.

Support the Causes You Care about through Voluntary Contributions

When you file your California state income tax return, you can make a charitable donation to one or more [Voluntary Contribution Funds](#). These funds support important causes such as breast cancer research, suicide prevention, services for crime survivors, and honoring fallen firefighters.

Contributing is easy. Simply go to the "Contributions" section of your California tax return, select the fund(s) you wish to support, and enter your donation amount. You can contribute as little as \$1, and your donation is tax deductible.

Choose Direct Deposit and Get Banked

The fastest and easiest way to receive your tax refund is through direct deposit when you file electronically.



WHAT'S NEW IN 2026

Several new [federal tax changes](#) may benefit Californians filing in 2026:

- No taxes on tips: Eligible workers may be able to exclude qualified tips up to \$25,000 from taxable income.
- No taxes on overtime pay: Certain overtime earnings up to \$12,500 (\$25,000 for joint filers) may no longer be subject to federal income tax.
- New deduction for seniors: Seniors who are 65 or older at the end of 2025 may qualify for a new federal income tax deduction of up to \$6,000 for individuals or \$12,000 for joint filers.
- No tax on car loan interest: Interest paid on qualifying auto loans may be deductible. The maximum deduction is \$10,000.
- Higher SALT deduction cap: The limit on deductions for state and local taxes (SALT) has increased, potentially benefiting homeowners and higher-cost areas.

Taxpayers should check eligibility rules and consult a tax professional, as not all provisions apply to every filer.

BEWARE OF TAX SCAMS: HOW TO PROTECT YOURSELF THIS TAX SEASON

PAGE 5

Tax season is a prime time for scammers. Each year, Californians are targeted by criminals posing as the Internal Revenue Service (IRS), the California Franchise Tax Board (FTB), or trusted financial institutions in an effort to steal personal information, money, or tax refunds. Staying informed is the best way to protect yourself.

Common Tax Scams to Watch For:

Impersonation Calls, Texts, and Emails

Scammers may contact you claiming to be from the IRS, FTB, or a government agency and demand immediate payment or personal information. These messages often threaten arrest, legal action, or loss of benefits if you don't respond right away.

Phishing and Fake Websites

You may receive emails or texts with links that look legitimate but lead to fake websites designed to steal your Social Security number, bank information, or login credentials.



Refund and Credit Scams

Some scams promise a larger refund or special "new" tax credits in exchange for a fee or personal information. If it sounds too good to be true, it probably is.

Ghost Tax Preparers

A "ghost preparer" is someone who prepares your tax return for a fee but refuses to sign it or include their IRS Preparer Tax Identification Number (PTIN). These preparers may inflate credits or deductions, leaving you responsible for penalties or audits.

Fake Tax Help on Social Media

Scammers increasingly use social media platforms to advertise tax help, promote fake giveaways, or direct users to fraudulent filing sites.

Red Flags That Signal a Scam:

- Demands for immediate payment, especially by gift card, wire transfer, or cryptocurrency
- Threats of arrest, deportation, or legal action
- Requests for personal or financial information by text, email, or social media
- Messages with spelling errors, unusual links, or unfamiliar sender addresses
- Promises of guaranteed refunds or special credits

How to Protect Yourself:

- Know how the IRS and FTB communicate: They do not initiate contact by text message, email, or social media to request personal or financial information.
- Filing your tax return early can help prevent criminals from filing a fraudulent tax return in your name.
- Use trusted tax preparers and free programs like IRS Volunteer Income Tax Assistance (VITA).
- Never share your personal information or bank details unless you are certain the request is legitimate.
- Use strong passwords and security software

If You've Been Targeted or Victimized:

If you receive a suspicious message, do not respond, click links, or open attachments. If you've already shared information or sent money, contact your bank immediately and report the incident as soon as possible.

Report tax scams to the [IRS](#) and [FTB](#). For more information on how to avoid tax scams and what to do if you find yourself the victim of a scam, please visit www.irs.gov/help/tax-scams.

What Californians Need to Know for the Year Ahead

A number of new state laws have taken effect that directly impact California households, workers, and businesses. Many of these changes are designed to improve affordability, strengthen consumer protections, expand health coverage, and promote a more transparent and equitable economy. Below is a brief overview of several notable laws that went into effect on January 1, 2026.

- **Increased Minimum Wage (SB 3):** California's statewide minimum wage is now \$16.90 per hour, helping raise purchasing power for workers amid ongoing cost-of-living pressures. Some local minimum wages, along with wages for fast food and health care industries, are higher.
- **Expanded Leave for Crime Victims (AB 406):** Workers may use paid sick leave and certain unpaid leave if they or a family member is a victim of a crime and must attend court proceedings.
- **Low-Cost Insulin (SB 40):** Large group health plans must cap co-pays for insulin to \$35 for a 30-day supply.
- **Infertility Treatment (SB 729):** Large group health plans must cover infertility diagnosis and treatment, including in-vitro fertilization (IVF).
- **Sexual Assault Claim "Revival Window" (AB 250):** A two-year "revival window" is in place for certain previously time-barred civil sexual assault lawsuits, particularly in cases where concealment occurred.
- **CSU Direct Admission Expansion (SB 640):** More qualified high school students will be directly admitted to the California State University system through an expanded Direct Admission Program, streamlining the pathway to higher education.
- **Ban on Cat Declawing (AB 867):** The declawing of cats for cosmetic or convenience purposes is banned.
- **Diwali Recognized as a State Holiday (AB 268):** Diwali is now recognized as an official state holiday. Public schools and community colleges may choose to close, and state employees may elect to take the day off in observance.
- **AI Safety for Minors (SB 243):** Providers of AI chatbots must disclose to minors that they are interacting with AI and adopt basic wellbeing safeguards.



State Treasurer and Staff Help Serve Those Experiencing Food Insecurity

Through the 2025 CA State Employees Food Drive, state agencies donated \$76,000, over 26,000 pounds of food, and 1,225 turkeys to local food banks statewide! The State Treasurer's Office contributed \$630 and 380 pounds of food to River City Food Bank (RCFB). State Treasurer Fiona Ma, Deputy Treasurers, and staff also had the pleasure of volunteering at RCFB, helping to distribute healthy, nutritious food to over 370 households experiencing food insecurity.

RCFB distributes food four days a week and utilizes a Choice Food Model, allowing each guest to select the items that best meet their needs. Learn how to get help or get involved: <https://rivercityfoodbank.org/>.



(Photo Credit: State Treasurer's Office)

#HelloSTO



fionamacpa 1d

⚠️ Hunger is a crisis in California. More than 1 in 5 Californians are food insecure — that's millions of people, including ~1.4 million children who don't always know where their next meal will come from.

In Sacramento, River City Food Bank is on the front lines, providing healthy, nutritious food to families, seniors, and children in need — every single day.

The need is urgent. Support, volunteer, or spread the word. No child should go hungry in California. ❤️

#EndHungerCA #FoodInsecurity
#Sacramento #rivercityfoodbank
@rivercityfoodbank @caltreasurer
@cafoodbanks

Follow us!



[CLICK HERE TO APPLY TODAY](#)
WWW.TREASURER.CA.GOV/CAREERS

Join the State Treasurer's Office Intern Team!

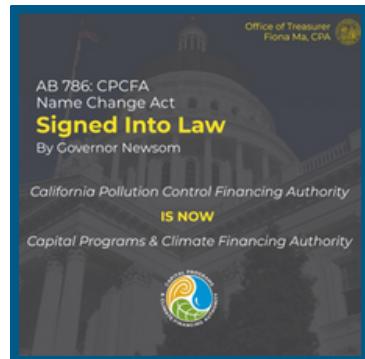
Ready to make a real impact? Build skills, expand your network, and launch your career with the State Treasurer's Office 2026 Spring Internship Program. Gain mentorship and hands-on experience in public service.

[Apply now!](#) During their time in the program, interns have the opportunity to work on meaningful projects, receive mentorship, and gain insight into the workings of state government.

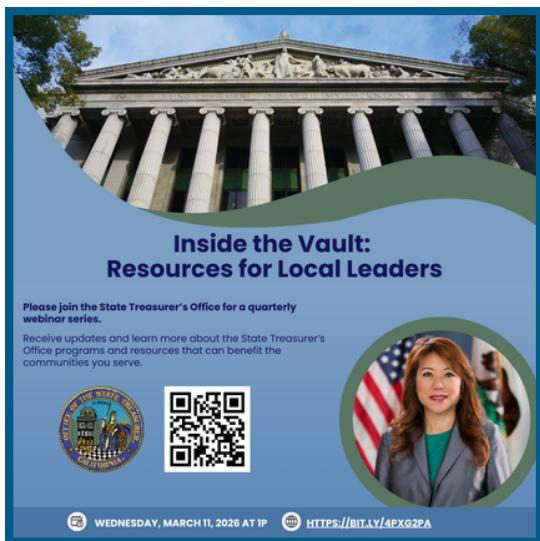


CPCFA Name Change

After more than 50 years, the California Pollution Control Financing Authority has a new name! The authority officially changed its name to the Capital Programs and Climate Financing Authority (CPCFA), effective January 1, 2026. The new name better reflects the CPCFA's evolving mission: Providing access to capital for small businesses and financing innovative solutions that build a cleaner, more resilient future.



UPCOMING EVENTS



Inside the Vault: Resources for Local Leaders

[Reserve your spot!](#) - March 11, 2026

Attend our upcoming quarterly webinar to hear updates from the State Treasurer's Office and learn more about our programs.



CalABLE and Tax Time Tips

Tax season is here! Join CalABLE on February 26, 2026 for a webinar designed to help account holders make the most of tax time. Learn how to:

- Navigate CalABLE basics
- Access your callable tax forms
- Maximize your tax return
- Find helpful tax-time resources

[Register today to secure your spot!](#)

Expanding Resources for Fullerton College Students



January 9 (Fullerton): State Treasurer Fiona Ma visited Fullerton College and met with President Dr. Cynthia Olivo and campus leadership to discuss student needs and the support systems available to help them succeed. The conversation focused on challenges related to healthcare access, food assistance, and housing affordability—key issues affecting many students across California. Treasurer Ma and Dr. Olivo's team also toured the Student Support Center, which provides case management, basic needs services, and referrals to community partners.

Pictured above (left to right): Miranda Bates, Director of Campus Communications, Fullerton College; Dr. Sonia De La Torre, Vice President of Student Services, Fullerton College; State Treasurer Fiona Ma; Fullerton College President Dr. Cynthia Olivo; Ahmad Zahra, Fullerton City Council Member; and Deputy Treasurer Stephanie Tom. (Photo Credit: Fullerton College)

Treasurer Ma Meets with Sacramento State Leadership and Students

January 14 (Sacramento):

State Treasurer Fiona Ma and her team visited California State University, Sacramento (Sacramento State) for a day of engagement with campus leadership and student representatives.

Treasurer Ma and her team were welcomed by Sacramento State President Dr. J. Luke Wood and members of the Associated Students, Inc. During the visit, the group toured the future Mt. Whitney student housing complex—set to add more than 300 beds—and the Basic Needs Center, which supports students facing housing, food, and financial insecurity. Treasurer Ma also met with student leaders to discuss the role of higher education in preparing future leaders and advancing economic mobility.



State Treasurer Fiona Ma, and Sacramento State alumni Chief Deputy Treasurer Patrick Henning, Deputy Treasurer Stephanie Tom, and External Affairs Officer Katharine Weir-Ebster show their Hornet pride with a "stinger up" along with student leaders during a campus visit (Photo Credit: State Treasurer's Office)

"Seeing firsthand how Sacramento State is investing in its students reminds us why supporting public higher education is essential to California's future."

- State Treasurer Fiona Ma, CPA

The visit highlighted the strong partnership between the State Treasurer's Office and California's public universities in fostering opportunity, affordability, and long-term success for students across the state.

Seeing the Investment into Healthcare at Adventist Health White Memorial Hospital



Pictured above (left to right): John Raffoul, President, Adventist Health; Mara Bryant, Chief Operating Officer, Adventist Health; Kerry Heinrich, Chief Executive Officer, Adventist Health; State Treasurer Fiona Ma, CHFFA Executive Director Carolyn Aboubechara; Brandon Seibold, Senior Finance Officer, Adventist Health; and John Beaman, Chief Financial Officer, Adventist Health. (Photo Credit: State Treasurer's Office)

January 15 (Los Angeles): State Treasurer Fiona Ma and Carolyn Aboubechara, Executive Director of the [California Health Facilities Financing Authority \(CHFFA\)](#), toured the Adventist Health White Memorial Hospital (AHWM). Established in 1913, AHWM has provided comprehensive care to Los Angeles County residents for over a century. Additionally, AHWM's Community Resource Center has supported patients by focusing on AHWM's Whole-Person Care model, providing personal wellness education classes, and food distribution. To date, AHWM has invested over \$93 million in the neighboring communities.

To support Adventist Health's continued growth, CHFFA issued over \$2.69 million in bonds to Adventist Health Systems/West, the integrated health system that operates AHMW.

Honoring Dr. King's Legacy on MLK Day

January 19 (Los Angeles): State Treasurer Fiona Ma joined community leaders, organizations, and families from across Los Angeles at the 39th Annual Official MLK Day Parade to honor the legacy of Dr. Martin Luther King, Jr. The parade brought together thousands of Angelenos in celebration of Dr. King's enduring call for justice, equality, and civic engagement.

"MLK Day reminds us that progress is not a moment, but a commitment. Dr. King's legacy continues to inspire our work to expand opportunity and dignity for all Californians."

– State Treasurer Fiona Ma, CPA



Pictured above: State Treasurer Fiona Ma joins with Assemblymember Tina McKinnor at the Los Angeles Official MLK Day Parade. (Photo Credit: State Treasurer's Office)