

The ALERT



The Legal Aid Society
of Cleveland
Since 1905

V.38, NO.1 SPRING 2022

IN THIS ISSUE:

Homestead Exemption
1

Student Loan
Repayments to Restart
2

Setting Up an
Online IRS Account
2

Avoid
Cryptocurrency Scams
3

“Buy Now Pay Later”
Online Shopping
4

Debt Collectors
Contacting You
4

Advice and
Referral Clinics
5

Legal Aid Help
6

Ohio's Homestead Exemption

By Kristen Nawrocki

Ohio's Homestead Exemption protects the first \$25,000 of your home's value from taxation. For example, if your home is worth \$100,000, you will be taxed as if the home were worth \$75,000.

Who is eligible? A homeowner who is:

- 65 years old (or who will turn 65 this year), or
- Permanently and totally disabled as of the 1st day of the year in which they file, or
- The surviving spouse of a person previously enrolled in Homestead and who was at least 59 years of age when the spouse died, and
- Has a total household income that does not exceed the amount set by law. The current maximum amount of total income allowed for the 2022 application period is \$34,600.

What property is eligible for the exemption?

- The property must be where you usually live, and
- You must have been living there as of January 1st of the year you apply, and
- You must be on the deed, or if the property is held in a trust, you must give the Auditor a copy of the trust.

How do you apply?

Fill out application form DTE105A. You can get the form at your county Auditor's office or at your county Auditor's website. File form DTE105A with

your county Auditor. You must file the original form that has your ink signature (not a copy). You cannot electronically file the form.

If your eligibility is based on AGE, you must submit PROOF OF AGE with your application.

If your eligibility is based on DISABILITY, you must submit PROOF OF DISABILITY with your application.

If you are approved for the Homestead Exemption, you do not have to re-apply in future years. On average, those who qualify for the exemption save \$400 a year.

For more information, or if you need help or have questions, call your county Auditor's Homestead Department:

In Ashtabula County, call 440.576.3445

In Cuyahoga County, call 216.443.7050

In Geauga County, call 440.279.1604

In Lake County, call 440.350.2536

In Lorain County, call 440.329.5207



Federal Student Loan Repayment Restarts on September 1, 2022

By Josh Rovenger, Esq.

During COVID-19, the federal government has not required borrowers to pay on their federal student loans. This has helped nearly 45 million people with federal student loans. The government recently extended this pause until September 1, 2022, but borrowers should prepare to start paying again.

Borrowers should sign up for a payment plan. One group of plans is called “income-driven repayment plans.” An income-driven repayment plan allows a borrower to pay a monthly amount based on their income. For many people, the monthly payment can be \$0.

Getting into the right plan is key because it helps prevent a “default.” A “default” occurs when someone does not pay their loan for over 270 straight days. If a borrower is in “default,” the government can take

the person’s wages, tax refunds, or social security benefits to pay the student loans owed. A default can also hurt a borrower’s credit score. And, a borrower in default cannot take out new federal student loans to attend school.

Borrowers can get into an income-driven repayment plan in less than 10 minutes. They can talk to their “loan servicer” (the company that collects their payments) or apply on-line (studentaid.gov/app/ibrinstructions.action). During the application process, a borrower can ask for the plan with the lowest monthly payment amount.

For more information on income driven repayment plans, visit lasclev.org/studentloans.

Getting Access to Your Taxes: Setting Up an Online IRS Account

By Marie Magner, Esq.

How many of us panic at the sight of a letter from the IRS? We fear the government is after everything we own to repay a tax debt we did not even realize we owed.

You can relieve these fears and anxieties by taking a few minutes to set up an account with the IRS. Setting up an online account with the IRS to get easy access to your tax records will prepare you to tackle any future issue. It also keeps you informed about refunds and amounts currently owed. Follow the steps below to set yourself up for success.

Make sure you have these before you begin:

1. A working email address
2. A smartphone you can access consistently
3. Identification documents, either:
 - a. A government-issued photo ID; or
 - b. Two identification documents from this list: (visit www.id.me, click “Support”, find the article titled “What is a Primary or Secondary Identification Document?”)
4. Your Social Security Number or Tax Identification Number
5. A mailing address where you can safely receive mail

Once you’re ready, go to www.irs.gov and follow the links to create your account.

1. Click “Sign in to Your Account”; on the next page, click the blue “Sign in to your Online Account” button, then you can choose to create an account.
2. Provide and verify your email address.
3. Choose an additional authentication measure, such as receiving verification codes by text or downloading an authenticator app. This step stops people from accessing your account if they steal your username and password.
4. Verify your identity based on the documents you have available:
 - a. Verify yourself with a photo ID and a selfie; or
 - b. Video chat with an agent to verify yourself using two documents from the above list.
5. Enter your Social Security number.
6. Confirm your details are correct.
7. Finally, click “Allow” to finish setting up your online IRS account!

With this online access, you’ll never have to fear another IRS letter. You can learn more at <https://www.irs.gov/payments/your-online-account>. If you’re currently experiencing a federal tax debt issue, call Legal Aid at 1.888.817.3777 to apply for assistance or apply online at www.lasclev.org and click Apply for Free Legal Help.

What is Cryptocurrency and How Can You Avoid Being Scammed?

By Josh Rovenger, Esq.

Are you confused when you hear the term “cryptocurrency”? If so, you are not alone! And sadly, some scammers are trying to make money off that confusion. Here are some basics about cryptocurrency and scams you should know about:

What is cryptocurrency?

Cryptocurrency is a type of digital currency that exists electronically. There are many different cryptocurrencies. For example, Bitcoin or Ethereum are two of the most popular types. There is no physical coin or bill unless you use a service that allows you to cash in cryptocurrency for a physical token. You usually exchange cryptocurrency with another person directly online through your phone or computer, without using a bank or credit card company.

How do you get and store cryptocurrency?

Cryptocurrency can be bought through online exchange platforms. Cryptocurrency can also be “mined,” but individual people do not usually mine cryptocurrency because it takes too much computer power to do so. Cryptocurrency is stored in a digital “wallet” in an online account, or on your computer, or on an external hard drive.

How do you make a cryptocurrency transaction?

Typically, one user will request a cryptocurrency transaction with another user. That transaction will be processed through a complex computer network. The computer network verifies that transaction. Then that transaction will be combined with other cryptocurrency transactions to create a “block” of data. The new block of data is then added to the existing list of cryptocurrency transactions known as a “blockchain” that all cryptocurrency users have access to. The transaction is then complete.

Why do people use cryptocurrency?

People invest in cryptocurrency like people invest in the stock market. Cryptocurrency is also used as a way to make quick payments (e.g. at coffee shops or online stores). Some people prefer using cryptocurrency because there are no bank transaction fees for the transactions.

How does it differ from US dollar?

Cryptocurrency accounts are not backed by the federal government. Payments made by cryptocurrency are not legally protected. So, if something goes wrong with a transaction, there is no bank or government

regulator to step in and help. Also, cryptocurrency values change constantly based on supply and demand (how many transactions are being recorded on the blockchain).

What cryptocurrency scams should you look out for?

One sure sign of a scam is anyone who says you must pay by cryptocurrency. In fact, anyone who tells you to pay by wire transfer, gift card, or cryptocurrency is a scammer. Here are some cryptocurrency scams to watch out for:

• Investment and business opportunity scams:

- o Some scammers start with offers from supposed “investment managers.” These scammers say they can help you grow your money if you give them the cryptocurrency you’ve bought. But once you log in to the “investment account” they opened, you’ll find that you can’t withdraw your money unless you pay fees.
- o Some scammers list scam jobs on job websites or send scam job offers to help recruit cryptocurrency investors, sell cryptocurrency, mine cryptocurrency, or help with converting cash to cryptocurrency. They’ll promise you a job (for a fee) but end up taking your money or personal information.
- o Here are some promises that scammers make: Scammers guarantee that you’ll make money; scammers promise big payouts with guaranteed returns; and scammers promise free money.
- o Before you invest or apply for a job, do your research. Look online for the name of the company and the cryptocurrency name, plus words like “review,” “scam,” or “complaint” and see what others are saying.

• Blackmail emails

- o Scammers will often send emails that say they have embarrassing photos, videos, or personal information about you. Then, they threaten to make it public unless you pay them in cryptocurrency. Don’t do it! This is blackmail and it is a crime that you should report to the FBI.

How do you report cryptocurrency scams? You should report fraud and other suspicious activity involving cryptocurrency to the Federal Trade Commission (federal consumer protection agency) at [ReportFraud.ftc.gov](https://www.ftc.gov).



Should you use “buy now pay later” services when you shop online?

By Julie K. Robie, Esq.

If you shop online, you may notice several different payment options in the checkout screen, such as Affirm, Afterpay, and Klarna. What are these? Is it a good idea to use them? Here are some answers to help you be a savvy shopper.

What are Affirm, Afterpay, and Klarna?

These services are called “buy now pay later” (BNPL) or “point-of-sale loans.” They are loans that let you pay for an item in installments over time, rather than paying the whole price up front. For example, to buy a \$60 sweater, you can pay 4 installments of \$15 every 2 weeks.

How much does it cost to use these services?

Some BNPL services market themselves as “free” or “interest-free.” But that is true only if you make all payments on time. If you are one day late, you may be charged a late fee of \$7 or more. If multiple payments are late, you will be charged multiple late fees. So, that \$60 sweater may actually cost a lot more. Also, some BNPL services let you extend payments out over several months but charge you interest of 20-30%. That is more expensive than some credit cards.

Does using them help or hurt your credit score?

These services usually do not report your payments to credit bureaus. That means they do not help or hurt your credit score. However, if you fall way behind, they can send the debt to a debt collector. Debt collectors will report late payments, and that can hurt your credit.

Are there any problems with using them?

One of the main problems with BNPL services is that they cause shoppers to spend more than they planned to – and often more than they can afford.¹ It feels so easy to just click and “pay later,” but in a few weeks or months, you may have late fees and lots of debt. So, before you click to “buy now pay later,” ask yourself how much you want the item and if you really want to go into debt over it.

¹In fact, Klarna advertises its services as “payment methods that increase sales.” <https://www.klarna.com/us/business/payment-methods/> (as of 3/28/2022). According to this Klarna webpage, “Customers who choose Klarna shop 20% more often and purchase 45% more per transaction on average.” This is good for the store but may be bad for the customer who goes into debt.

Debt collectors are contacting you. Now what?

By Eric Zell, Esq.

Perhaps, like many other people in the COVID era, you fell behind on paying your credit card bills, medical bills, rent, or other “consumer” expenses. Now, your debt has been sold to another company and debt collectors are calling and sending letters trying to get you to pay those debts.

Do debt collectors have limits on what they can do or say when they are collecting money from people? And what rights do you have when those debt collectors contact you?

Debt collectors cannot do or say whatever they want. They must follow a law called the Fair Debt Collection Practices Act (FDCPA). The law tries to make sure that debt collectors are treating consumers like you fairly as they try to collect money.

There are four things that a debt collector can legally do if you do not pay a debt: (1) stop doing business with you; (2) report the debt on your credit report; (3) contact you to ask for payment; and (4) file a lawsuit.

When debt collectors contact consumers for payment, they often try to harass and intimidate the consumer. For example, the debt collections

make repeated unwanted phone calls or send many text messages. They also attempt to contact a consumer’s friends and family, or threaten consumers with jail time or garnishment of paychecks. These types of actions are not allowed under the FDCPA.

If you feel that a debt collector is harassing you, sending a “stop contact” letter to the debt collector should make the communications stop. If your income is protected from collection (e.g. your income is only from Social Security or your paycheck is too low to be garnished), you can send a letter telling the debt collector this information. If you think the amount of the debt is wrong or the debt is not yours, you can send a “dispute letter” telling the debt collector that something is wrong.

If the debt collector continues to contact you after you ask them to stop or is harassing you about a debt that is wrong or does not belong to you, you may have a claim under the FDCPA. In this case, you should consult with a lawyer. Consumers with low income can attend a Legal Aid Brief Advice Clinic to get help in such a situation. Turn to page 5 for a list of upcoming clinics, or view the full calendar online: <https://laslev.org/category/all-events/clinics/>.

Additional information available in Legal Aid’s bilingual brochure “How to Deal with Debt Collectors” available online: laslev.org/howtodealwithdebtcollectors/



The Legal Aid Society
of Cleveland
Since 1965

Volunteer Lawyers Program
[vlp]



free
LEGAL ADVICE

**2022 Brief Advice and Referral Clinics
Civil Matters Only (Not Criminal)**

Legal Aid provides services in the areas of consumer rights, disability, domestic violence, education, employment, family law, health, housing, foreclosure, immigration, public benefits, utilities, and tax.

Some clinics are by appointment only. Please bring all important paperwork with you. **Masks are recommended.**
Questions? Call 888.817.3777 or visit www.lasclev.org for updated clinic listings.

TUESDAY, MAY 24, 2:00 PM – 3:30 PM

El Centro, 2800 Pearl Avenue, Lorain, OH 44055
Call 440.277.8235 for an appointment.

SATURDAY, JUNE 4, 9:30 AM – 10:30 AM

Chagrin Falls Park Community Center, 7060 Woodland Avenue,
Chagrin Falls, OH 44023

WEDNESDAY, JUNE 8, 9:00 AM – 10:30 AM U.S. Veterans Only

VA Community Referral & Resource Center, 7000 Euclid Avenue,
Cleveland, OH 44103 • Call 216.391.0264 for an appointment.

SATURDAY, JUNE 11, 10:00 AM – 11:00 AM

Cleveland Public Library, Langston Hughes Branch, 10200 Superior Avenue,
Cleveland, OH 44106

TUESDAY, JUNE 14, 2:00 PM – 3:30 PM

Oberlin Depot, 240 S. Main Street, Oberlin, OH 4407
Call 440.774.6579 for an appointment.

TUESDAY, JUNE 21, 2:00 PM – 3:30 PM

Catholic Charities Ashtabula, 4200 Park Avenue, 3rd Floor,
Ashtabula, OH 44004 • Call 440.992.2121 for an appointment.

THURSDAY, JULY 7, 4:30 PM – 5:30 PM

Lakeland Community College, Holden University Center, 4242 OH-306,
Kirtland, OH 44094

SATURDAY, JULY 9, 9:45 AM – 11:00 AM

Stephanie Tubbs Jones Health Center, 13944 Euclid Avenue,
East Cleveland, OH 44112

TUESDAY, JULY 12, 2:00 PM – 3:30 PM

Oberlin Depot, 240 S. Main Street, Oberlin, OH 4407
Call 440.774.6579 for an appointment.

WEDNESDAY, JULY 13, 9:00 AM – 10:30 AM U.S. Veterans Only

VA Community Referral & Resource Center, 7000 Euclid Avenue
Cleveland, OH 44103 • Call 216.391.0264 for an appointment.

SATURDAY, JULY 16, 10:00 AM – 11:00 AM

Cleveland Public Library, South Branch, 3096 Scranton Road
Cleveland, OH 44113

TUESDAY, JULY 19, 2:00 PM – 3:30 PM

Catholic Charities Ashtabula, 4200 Park Avenue, 3rd Floor
Ashtabula, OH 44004 • Call 440.992.2121 for an appointment.

SATURDAY, JULY 23, 9:30 AM – 10:30 AM

Fatima Family Center, 6600 Lexington Avenue
Cleveland, OH 44103

SATURDAY, AUGUST 6, 9:30 AM – 10:30 AM

Chagrin Falls Park Community Center
7060 Woodland Avenue, Chagrin Falls, OH 44023

TUESDAY, AUGUST 9, 2:00 PM – 3:30 PM

Oberlin Depot, 240 S. Main Street, Oberlin, OH 44074
Call 440.774.6579 for an appointment.

WEDNESDAY, AUGUST 10, 9:00 AM – 10:30 AM U.S. Veterans Only

VA Community Referral & Resource Center, 7000 Euclid Avenue,
Cleveland, OH 44103 • Call 216.391.0264 for an appointment.

SATURDAY, AUGUST 13, 10:00 AM – 11:00 AM

Cuyahoga County Public Library - Parma-Powers Branch
6996 Powers Boulevard, Parma, OH 44129

TUESDAY, AUGUST 16, 2:00 PM – 3:30 PM

Catholic Charities Ashtabula, 4200 Park Avenue, 3rd Floor
Ashtabula, OH 44004 • Call 440.992.2121 for an appointment



For rental housing questions, call our Tenant Info Line at 216.861.5955 or 440.210.4533.
For employment questions, call our Worker Info Line at 216.861.5899 or 440.210.4532.

Legal Aid also hosts special clinics for people who need help with a divorce, immigration, expungement or debt collection. Please call 888.817.3777 for details.

* Attorneys available for brief advice and referral only. Clinic attorneys do NOT represent you. If you need legal representation you may be referred to The Legal Aid Society of Cleveland or another service provider.



1223 West Sixth Street
Cleveland, OH 44113

Non Profit
U.S. Postage
PAID
Cleveland, OH
Permit No. 104

RETURN SERVICE REQUESTED

HAVE A PROBLEM WITH: / Tienes un problema con:



Money
Dinero



Housing
Alojamiento



Work
Trabaja



Health
Salud



Family
Familia



Access to Justice
Acceso a la Justicia

contact Legal Aid for FREE assistance! / ...comúníquese con Legal Aid para obtener asistencia GRATUITA

Legal Aid serves people and groups with low-income in Ashtabula, Cuyahoga, Geauga, Lake and Lorain Counties.

Legal Aid atiende a personas de bajos ingresos en los condados de Ashtabula, Cuyahoga, Geauga, Lake y Lorain en el noreste de Ohio.



Information and Intake 24/7 online

Información y admisión 24 horas al día, 7 días a la semana en línea
www.lasclev.org



Apply by phone during most business hours

Solicite por teléfono durante la mayoría del horario comercial
888.817.3777

Have a quick question? ¿Tienes una pregunta rápida?

Tenant Info Line 440.210.4533 or 216.861.5955

for questions related to tenant's rights and rental housing
para preguntas relacionadas con los derechos del inquilino y la vivienda de alquiler

Worker Info Line 440.210.4532 or 216.861.5899

for questions related to employment, benefits, and unemployment
para preguntas relacionadas con empleo, beneficios y desempleo

Legal Aid provides interpreters and translation. *Legal Aid proporciona intérpretes y traducción.* 

Legal Aid uses Ohio Relay Service (800.750.0750) to support people who have a communication limitation.
Legal Aid utilizó el servicio de retransmisión de Ohio (800.750.0750) para ayudar a las personas que tienen una limitación de comunicación.

Request an outreach/education event or materials for your community group by email: outreach@lasclev.org.
Solicite un evento o materiales de divulgación / educación para su grupo comunitario por correo electrónico: outreach@lasclev.org.

This newsletter is meant to give you general information and not to give you specific legal advice. This information cannot take the place of advice from a lawyer. Each case is different and needs individual legal advice. You should contact a lawyer if you need representation or if you have questions.

Publication of The Alert is made possible, in part, by a grant from the Ohio Department of Aging through the Western Reserve Area Agency on Aging and District XI Area Agency on Aging.

