

CAA volunteers help taxpayers exceed \$1.5 million mark in 2009 tax breaks

By Diane Bach
and Jessie Murray

Community Action Agency's (CAA) Volunteer Income Tax Assistance (VITA) program worked with more than 1,800 Lenawee County residents this year to prepare and file free income tax returns, totaling more than \$1.5 million in credits and refunds.

VITA provides free income tax help to any household with 2009 earnings up to \$49,000. VITA volunteers are certified and trained to prepare and electronically file federal and state tax returns as well as Earned Income Tax Credit, Child Tax Credit, Home Heating Credit and Homestead Property Tax Credit forms for residents.

Every year in late fall, CAA recruits volunteers for the VITA program in Lenawee County. Volunteers do not need experience doing taxes — CAA provides IRS-sanctioned materials and training. Volunteers wanting certification must pass IRS tests to prepare taxes through the VITA program while others are needed for greeting and administrative help which do not require certification. This season, 23 certified tax preparers and one non-certified



volunteer contributed more than 1,600 hours of service in Lenawee County.

In the 2009 tax season, 103 VITA volunteers served 7,619 people across Lenawee, Hillsdale and Jackson counties. The income tax returns filed for these individuals generated more than \$6 million dollars in credits and refunds. In total, VITA volunteers contributed more than 7,000 hours of tax preparation and other program services this tax season.

One of the credits VITA volunteers file for qualifying individuals is the federal and state Earned Income Tax Credit (EITC). The federal Earned Income Tax Credit is available to those participating in the workforce and is considered one of the nation's largest and most effective federal aid programs. Eligibility is based on income level, marital status and number of dependent children. The Michigan EITC builds upon the federal credit. It provides an additional 20 percent of the federal credit amount on the state income tax. Taxpayers

must qualify and receive the federal EITC to receive the state credit. In Lenawee County, the federal EITC amount was more than \$380,000. A report estimating the usage of the federal EITC found that for every \$1 of federal EITC benefit received in 2006, \$1.67 was generated in new earnings for Michigan residents.

CAA also partners with many other organizations and agencies to provide VITA services. In Lenawee County, these partners include Central Michigan 211, Lenawee County Department on Aging, Lenawee Intermediate School District, Lenawee United Way and Jackson Community College. These partners provide a number of services in support of VITA — volunteers, publicity, college credits for students

preparing taxes and space including classrooms to teach volunteer trainings. Partnerships are vital to the success of VITA and CAA is working to advance these partnerships in Lenawee County for years to come.

Anyone whose household income is less than \$49,000 and needs assistance with their income taxes may contact Community Action Agency at 263-7861 and 800-438-1845 or 211 for year-round, free tax services. Individuals interested in volunteering for next year's VITA program may also contact their local CAA office.

Diane Bach is the VITA program manager for the Community Action Agency. Jessie Murray is the director of communications for the Community Action Agency.

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*Adrian,
Michigan*

THE SKINNY

Program helps 4,800 county residents file tax returns

More than 4,800 Jackson County residents received more than \$3.9 million in their 2009 income tax returns through the Community Action Agency's free tax preparation service.

The agency's Volunteer Income Tax Assistance program provides free income tax help to any household with earnings up to \$49,000.

Last year, volunteers helped to return about \$3.4 million to 4,553 Jackson County residents.

Volunteers are certified and trained to prepare and file federal and state tax returns as well as home-heating, earned-income, child and homestead property tax credits.

This tax season, about 70 volunteers

contributed more than 4,600 hours of service in Jackson County. The agency also partners with local organizations to provide free tax-preparation services.

For more information, call the Community Action Agency at 784-4800 or 800-491-0004.

— Tarryl Jackson

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HILLSDALE

Free tax help pays off for many

CAA program helps nearly 1,000 people see more than \$600K in returns

By **AMY BELL**
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A free income tax preparation program recently helped 932 Hillsdale County residents file their returns.

The Hillsdale Community Action Agency's Volunteer Income Tax Assistance program also allowed more than \$600,000 worth of credits, Jessie Murray, CAA's director of communications stated in an e-mail.

Last year, volunteers helped to return approximately \$400,000 to 664 taxpayers.

"It was a great improvement," she stated in an e-mail.

This year, the program increased its maximum household income from

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\$40,000 to \$49,000.

The free tax preparation program involves IRS-certified volunteers who prepare and electronically file federal and state returns.

While preparing the return, the volunteers and participants also go over eligibility requirements for numerous tax credits such as earned income, child tax, home heating and homestead property.

Murray stated the program allows CAA to return the maximum amount directly to the taxpayer instead of the individual paying a fee typically associated with commercial tax preparation.

In addition, it also helps to increase local spending, she stated.

This year, nine certified tax preparers and two non-certified volunteers contributed more than 900 hours of service in Hillsdale County, Murray stated.

According to a press release, in the 2009 tax season, the program helped to generate more than \$6 million for taxpayers in Hillsdale, Lenawee and Jackson counties, according to a press release.

CAA also partners with Central Michigan 211, Hillsdale Intermediate School District and Jackson Community College to provide the service.

Need help?

Those who still need assistance with income tax returns and have a household income of less than \$49,000 can contact CAA at 517-437-3346 or 211 for free tax services year-round. Individuals interested in volunteering can also contact the agency.