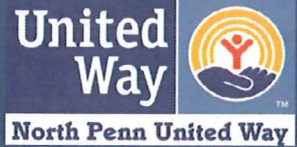


North Penn United Way VITA– Volunteer Income Tax Assistance Program



VOLUNTEER INCOME TAX ASSISTANCE

The Volunteer Income Tax Assistance (VITA) Program offers low-to-moderate income families and individuals free tax return preparation filed by IRS certified volunteers from the community. This initiative helps eligible families and individuals in need avoid tax preparation fees, averaging about \$240 each year, claim the Earned Income Tax Credit and offers an opportunity to take the next step toward financial stability by establishing a bank account.



The North Penn United Way VITA Program uses electronic filing which allows returns and refunds to be placed quickly into taxpayers' hands eliminating the need for expensive rapid anticipation loans (RALs). Because of the efficiency of electronic filing, clients who have direct deposit can receive refunds in 7-10 days.

This initiative took shape through support from the Financial Stability Special Interest Cabinet of the Greater North Penn Collaborative for Health and Human Services. North Penn United Way has played a lead role developing the program and partnerships. For more information, please visit www.NPUW.org.

IMPACT IN THE COMMUNITY

The impact this initiative has in the community is great. Volunteers are connected to those in need in their own community and clients who take advantage of the program are taking the positive steps toward financial stability. Studies show that refunds are immediately returned to the local economy, making it a win/win for working families and community businesses. In 2010:

- Families earning less than \$60,000 a year and individuals earning less than \$33,000 a year are eligible for the program
- The VITA Program helped clients access \$726,396 in federal and state refunds
- Saved individuals and families over \$103,680 in tax preparation fees
- Assisted 445 low-to-middle income individuals and families
- Recruited 58 volunteers, 42 of which were trained by the IRS to file tax returns
- Established 11 tax preparation sites for people in the community



EARNED INCOME TAX CREDIT

The Earned Income Tax Credit or the EITC is a refundable federal income tax credit for low to moderate income working individuals and families. Congress approved the tax credit legislation in 1975 in part to offset the burden of social security taxes and to provide an incentive to work. To qualify for Earned Income Tax Credit or EITC or simply called EIC, you must have earned income from employment, self-employment or another source and meet certain rules.

- As many as 20-25% of eligible workers do not claim the EITC; In fact, \$5 million EITC refunds went unclaimed in Montgomery County in 2007
- EITC is the largest benefit program providing support for working families



COMMUNITY PARTNERS

- Keystone Opportunity Center
- Indian Valley Public Library
- Indian Creek Foundation
- Montgomery County Community College
- One in Commitment Multicultural Center
- Northwestern Human Services
- Trinity Lutheran Church
- Encore Experiences
- AP Academy
- Greater North Penn Collaborative for Health and Human Service
- North Penn and Indian Valley Boys & Girls Clubs