

Press Release

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Free Tax Program Saves Low-income Taxpayers up to \$360

Bay Area's Largest FREE Tax Assistance Program

Aims to Help 50,000 Taxpayers During 2010 Tax Season

SAN FRANCISCO, January 27, 2010 – In a time of layoffs and foreclosures, there's some good news for low-income taxpayers in the Bay Area: instead of spending up to \$360 on commercial tax preparation services, households that earned less than \$52,000 in 2009 can have their taxes prepared for free by Earn It! Keep It! Save It!, the Bay Area's largest free tax assistance program. The program, led by United Way, will operate more than 180 free tax sites throughout the Bay Area from mid-January through April 15.

"During these tough economic times, saving up to \$360 on tax preparation fees, check cashing and costly 'instant refund' loans is significant for low-income families," said United Way Chief Community Investment Officer Carole Watson. "That money can be used to pay for rent, groceries or utility bills. Low-income taxpayers can receive their refunds – every cent! -- by going to one of the Earn It! Keep It! Save It! sites, where they will get free, high-quality tax help from an IRS-certified volunteer preparer."

Earn It! Keep It! Save It! continues to build awareness about the federal Earned Income Tax Credit (EITC), the nation's largest benefits program for working families. The EITC, which can boost the annual income of a low-wage worker by as much as 10%, was created in 1975 to offset the burden of Social Security taxes on low-wage workers and provide an incentive to work. This credit is often overlooked by commercial tax preparers, but Earn It! Keep It! Save It! volunteers are trained to identify eligible taxpayers. Over the last several years, the EITC benefit has grown significantly, from just over \$4,000 to \$5,657, the maximum possible credit for Tax Year 2009.

The Earn It! Keep It! Save It! coalition is also encouraging taxpayers to avoid "Rapid Refunds," which are heavily promoted to low-income households by many well-known commercial preparers. Free tax help can save eligible taxpayers up to \$360 by helping them to avoid commercial tax preparation fees (\$100) and electronic filing fees (\$40), as well as rapid refund loan fees (\$125), additional rapid refund fees (\$35) and check-cashing fees (\$60).*

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Earn It! Keep It! Save It! volunteer tax preparers are IRS certified and will provide expert assistance with numerous tax changes this year, including American Recovery and Reinvestment Act (ARRA) “Making Work Pay” credits, “Cash for Clunkers” capital gains, the expiration of mortgage debt relief in California, new home credits, education credits and decreases in dependent tax credits. Perhaps most importantly, the EITC maximum income eligibility is \$48,279; and the maximum possible credit is \$5,657. This is most likely the largest lump sum payment a low-wage working family receives all year.

San Francisco resident Stacey Troupe, who has been an Earn It! Keep It! Save It! client for two years, said, “I’m a big fan of Earn It! Keep It! Save It! It has saved me \$700 in what I would have paid to a commercial preparer. In fact, last year the program corrected a mistake that my paid preparer had made in the previous year, and I got an even bigger refund. I’m really happy with the service, and plan to go back this year.”

Earn It! Keep It! Save It! Bay Area is celebrating its eighth year in 2010. In 2009, the coalition processed \$47 million in refunds for 47,166 Bay Area households. It also helped low-wage families claim more than \$14 million in EITC.

WHAT	<ul style="list-style-type: none"> • FREE tax return preparation and e-filing • Assistance filing tax-credit claims, including the Earned Income Tax Credit (EITC), childcare credits and San Francisco’s Working Families Credit • Asset-building resources
WHO	<ul style="list-style-type: none"> • All Bay Area households that earned less than \$52,000 in 2009 are eligible for free tax preparation service and e-filing. EITC eligibility depends on family income and size.
WHERE & WHEN	<ul style="list-style-type: none"> • Earn It! Keep It! Save It! operates sites in Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma Counties. For times and locations, call 2-1-1 or 800-358-8832 or visit www.EarnItKeepItSaveIt.org.
WHAT TO BRING:	<ul style="list-style-type: none"> • Social Security cards or ITIN for all family members • W-2 forms for all jobs • 1099 forms and other income forms • Voided check for direct deposit • Childcare provider information: name, address, tax id number • Previous year’s tax return if available • Name, address and phone number of landlord (if you have one).

Note to Editors: Media are encouraged to visit tax preparation sites to talk with volunteers and taxpayers. To arrange a visit, please contact Maria Stokes, 415-808-4264, mstokes@uwba.org.

About Earn It! Keep It! Save It! Bay Area

Led by United Way of the Bay Area, Earn It! Keep It! Save It! Bay Area coordinates more than 180 free tax preparation sites and asset development programs in Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara and Solano Counties, with the participation of more than 250 public and private-sector partners. Funding partners include Bank of America, Citi, City of Oakland – Community Action Partnership, East Bay Community Foundation, Evelyn and Walter Haas, Jr. Fund, First 5 Alameda County, HSBC Bank USA, N. A., KPMG LLP, Levi Strauss Foundation, The Lurie Company, National Disability Institute, Walter & Elise Haas Fund, Union Bank of California, United WayWorldwide, United Way of the Bay Area, Wells Fargo, and others. For more information please visit www.EarnItKeepItSaveIt.org or call 510-238-2418.

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