



FOR IMMEDIATE RELEASE:

LINCOLN EARNED INCOME TAX CREDIT CAMPAIGN KICKS OFF

Free Tax Assistance Available to Low- to Moderate-Income Individuals and Families

Lincoln, Ne – January 29, 2010 – Mayor Chris Beutler today encouraged families with low or moderate incomes to use free services available for preparing their federal and state tax returns. Mayor Beutler, Senator Tony Fulton, and Deputy Tax Commissioner Kim Conroy joined in launching the Lincoln Earned Income Tax Credit Campaign to help working families keep more money in their pockets.

Free tax preparation help is available at Volunteer Income Tax Assistance (VITA) sites located at libraries, cultural centers, and other locations throughout the city. Schedules are available at the tax sites and other locations throughout the community or online at www.lincoln-action.org.

“We all know that there are many hard-working families in Lincoln who are struggling financially,” said Mayor Beutler. “It is very important that those families claim all of the tax credits and refunds for which they are eligible. Trained volunteers play a key role in making sure that those who do qualify get the refund they deserve. I want to thank those volunteers, the funders, and the non-profit partners who are making this important service available in our community.”

The EITC is a special tax benefit for working people who earn low or moderate incomes. It is designed to reduce the tax burden on these workers, to supplement wages, and to provide a work incentive. Those who qualify can get back some or all of the federal income tax deducted from their pay. Even workers whose earnings are too small to owe income taxes can get the credit. EITC also offsets any additional taxes workers may owe, such as payroll taxes.

Many people will qualify for EITC for the first time this year because their income declined, their marital status changed, or they added children to their families. Families with three or more children get an extra boost with a larger credit this year.

But, the IRS estimates that up to one in four eligible taxpayers could miss out on this benefit because they are not aware of the credit or think they do not qualify. Eligible taxpayers can only get their EITC if they file federal income tax returns and claim the credit.

Anyone with an income under \$48,000 from wages, self-employment or farming in 2009 should see if they qualify.

“The EITC gets money into the pockets of those who need it most,” said Hannah Munderloh, Asset Development Coordinator at Lincoln Action Program. “Some families use the money to help with their immediate needs, while others save the money and help build their assets through home ownership or small business creation or expansion.”

Last year, the Lincoln Earned Income Tax Credit Coalition prepared 5,015 federal and state returns, helping families received a total of more than \$5 million in refunds. More than \$1.7 million of that was from the EITC. More than 100 volunteers assisted in a variety of capacities in last year's campaign.

Yet more volunteers are needed. "Volunteers are critical to the success of this campaign. Our long-term goal is to increase the number of volunteers, which allows us to serve more individuals and families. This will bring more dollars back to these individuals and families and ultimately our community," said Vi See, Executive Director for Lincoln Action Program.

Coordinated by Lincoln Action Program, the Lincoln Earned Income Tax Credit Coalition is a volunteer-driven coalition that provides free income tax assistance and earned income tax preparation education to the Lincoln community. Financial support comes from Lincoln Community Foundation, Woods Charitable Fund, United Way of Lincoln and Lancaster County, Building Strong Families Foundation, City of Lincoln and Lancaster County, the IRS, and Wal-Mart via United Way Worldwide. Partners that help promote, organize, and host tax preparation sites include the Human Service Federation, the IRS, Community Action of Nebraska, United Way of Lincoln and Lancaster County, University of Nebraska – Lincoln, Lincoln City Libraries, Lincoln Action Program, Asian Community and Cultural Center, Indian Center, Salvation Army, Southeast Community College, Lincoln Literacy Council, and the Good Neighbor Community Center. This group is part of a state and national movement to assist people who are working but still unable to make ends meet.

To use the service, individuals must provide photo identification; Social Security cards and birth dates for all family members; W-2s and Form 1099s; other relevant tax information such as interest paid on mortgages and student loans, charitable donations, child care bills and the ID numbers of day care providers; a copy of last year's federal and state tax returns; and bank routing and account numbers for direct deposit. Married filers must both be present to sign.

More information is available by calling 2-1-1, contacting Lincoln Action Program at 471-4515, or visiting www.lincoln-action.org.

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