

PRESS RELEASE

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**United Way
Of Jackson County**

UNITED WAY HELPS FUND VOLUNTEER INCOME TAX ASSISTANCE PROGRAM (VITA)

Emergency grant will help Jackson County residents get millions in tax refunds

FOR IMMEDIATE RELEASE

Tuesday, January 8, 2008 – The Board of Directors of the United Way of Jackson County approved a \$30,000 emergency grant to the Community Action Agency to continue the Volunteer Income Tax Assistance (VITA) program. Over the past four years, over \$5 million dollars in tax refunds and credits have been issued to Jackson County residents through the program. Unfortunately, due to state budget cuts, the VITA program was in jeopardy of being discontinued because of lack of funds.

“Last year we helped over 1,800 people in Jackson County file tax returns,” said Marsha Kreucher, Executive Director of the Community Action Agency. “Those returns provided over \$1.6 million dollars to Jackson County families in need. Thanks to United Way, we can make this happen again this year.”

The VITA program enlists volunteers to help low income residents fill out and file local, state and federal tax returns. In 2006, the families served were primarily senior citizens and the working poor. The average tax refund was nearly \$920, representing about 11% of each client’s household income. Earned income tax credits, targeting the working poor, provided almost \$700,000 of the \$1.6MM total.

“I’m just glad that we are in a position to help,” said Ken Toll, Executive Director of the United Way of Jackson County. “Each dollar we invest in VITA will bring back over 50 dollars; dollars that will help Jackson County residents become more self sufficient, and help our local economy here in Jackson County.”

For further information on the VITA program, contact Chris Kilmer at the Community Action Agency, 784-4800, or call Jim Brian at the United Way of Jackson County, 784-0511.

The United Way supports Jackson County residents through a combination of over 49 different programs and community collaborations. More than 30 local human service organizations partner with the United Way to target six prioritized needs in Jackson County:

- Growing families safe and sound,
- Overcoming hardships and forging pathways to self-sufficiency,
- Fostering health & well-being physically, mentally and emotionally,
- Supporting success in school and preparedness for life,
- Promoting a safer community, and
- Building a coordinated service delivery system.

For further information on United Way programs and services call the Jackson County United Way office at 784-0511, or visit their website, www.uwjackson.org. Contributions can also be made online at the website by clicking on the “Donate Online Now” button on the United Way of Jackson County homepage.

Attachment: VITA Fast Facts



Community Action Agency
2007 Tax Program Fast Facts

- More than 2,300 low-income families in Jackson, Hillsdale and Lenawee counties received income tax refunds and tax credits through Community Action Agency's Volunteer Income Tax Assistance (VITA) program in 2007. Tax credits included the federal Earned Income Tax Credit and child credits, and the Michigan Property Tax and Home Heating credits.
- The average tax refund was \$920 per household, an average of 11% of each client's household income. These much-needed resources were used to meet immediate cost of living expenses such as rent, utilities and food. In many instances, refunds allowed people to take advantage of asset building opportunities such as saving for school, home ownership and other long-term goals.
- In all, more than \$2.1 million in tax refunds and credits went directly to low-income residents in Jackson, Hillsdale and Lenawee counties in 2007, and, in turn, into the economy of south central Michigan. A state wide recognized leader in providing free tax preparation services, Community Action Agency's VITA program has returned more than \$5 million to low-income individuals and families since 2003.
- In addition, Community Action Agency's free tax program saved each client an estimated \$150 in tax preparation costs and \$130 in rapid refund loans this year – a total savings of more than \$600 thousand to Michigan families.
- Community Action Agency's VITA program returned more than \$900 thousand in Earned Income Tax Credit refunds to our clients, an increase of almost 12% over last year. Community Action Agency's VITA program is taking a leadership role in promoting access to this often confusing and overlooked federal credit for low-income working families and individuals.
- Over 50 volunteers donated more than 2000 hours of their time to provide free tax assistance and preparation. Each volunteer hour brought back over \$1000 in tax refunds to clients.
- A total of 34% of our clients directly deposited their refunds and credits safely into financial institution accounts. Direct deposits to bank or credit union accounts speed up refund delivery, discouraging the use of high-cost rapid refund loans.