

FOR IMMEDIATE RELEASE

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VOLUNTEER INCOME TAX ASSISTANCE PROGRAM RETURNS MORE THAN \$1 MILLION TO CHESTER COUNTY

May 13, 2011 – As part of its Financial Stability Partnership, United Way of Chester County and Life Transforming Ministries (LTM) once again offered Volunteer Income Tax Assistance (VITA) sites in Coatesville, Phoenixville, Kennett Square and West Chester during tax season 2011.

This year's program produced amazing results by nearly doubling last year's production and returning just over \$1million to the community! More than 60 volunteers, including many from Vanguard Inc.'s "Volunteers for VITA" program and the Retired Senior Volunteer Program of Family Services, worked more than 1,300 total volunteer hours to prepare 621 returns for individuals and families. The average household income for VITA customers was approximately \$18,000. Nearly half of this year's program participants were at or below the poverty line for their household size. Customers saved nearly \$100,000 in out of pocket tax preparation fees by having their returns prepared for free by VITA.

Bill Shaw, Executive Director at Life Transforming Ministries, explains "We are glad to see that this service is reaching our target audience. Those with lower incomes and who may be without a full understanding of the income tax system should have a way to satisfy their requirement to file without giving up any more of their resources. The dignified service of our volunteers and the refunds they generate are changing lives."

The 2011 tax season also saw the launch of a pilot partnership program with Open Hearth of Phoenixville to encourage financial education and asset development to VITA customers. These sessions occurred at the Exton Square Mall. Open Hearth provides a Family Savings Partner program and is part of the United Way funded network of services.

United Way of Chester County President and CEO Claudia Hellebush explains “Coupling the tax assistance program with financial education simply makes sense. It will have a huge impact on people’s lives and will result in the long term changes United Way strives for community wide. Financial stability is a building block for a good quality of life.”

Sites are staffed by IRS certified volunteers and provide free federal and state income tax preparation services for low to moderate income taxpayers in Chester County. Available services may be restricted by income and tax form. Started in 2004 by Life Transforming Ministries in Coatesville, the long term goal is to provide local VITA access to every community of the County. As a leveraged partnership with the Internal Revenue Service’s nationwide VITA initiative, LTM’s VITA program was recently awarded one of only ten IRS multi-year nationwide VITA grants. More than 400 programs from across the country applied for the VITA grant. The VITA program is targeted at educating local workers about the federal Earned Income Tax Credit and assisting taxpayers in maximizing their refunds.

Since it rewards lower wage workers and provides a refundable credit on their tax return, the US Chamber of Commerce has identified the Earned Income Tax Credit as the most effective poverty fighting mechanism in the last 40 years. Yet the IRS estimates that one in four eligible taxpayers tend to miss out on this valuable credit because they do not file a tax return, or don’t claim their credit. Many people will qualify for EITC for the first time this year because their income declined or they added children to their families.

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Bill Shaw, Executive Director at Life Transforming Ministries, shares the results of this year’s Volunteer Income Tax Assistance program with some key volunteers at a luncheon thanking those who donated their time and expertise. More than \$1 million was returned to local communities through the efforts of more than 60 volunteers.



As a FINRA grant recipient, the United Way Financial Stability Partnership was able to reach out to local daycare providers to offer not only the VITA program and EITC tax assistance, but financial counseling and education to families and staff. Above, Financial Stability Partner Consumer Credit Counseling Services teaches young parents about debt management and income maximization.