

Precinct Reporter

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\$5,000 EITC Refunds

CAP Offers Free Tax Preparations

By Dianne Anderson
Staff Writer

Millions of Americans will turn their backs on a good chunk of change from now until April 15. They will walk away from the estimated 6-12 billion dollars in tax refunds for themselves and for their children that the IRS keeps in their piggy bank of unclaimed refunds.

This year, the Earned Income Tax Credit refunds are bigger and better than last year.

Married and filing jointly without children gets a couple up to \$457. With one child, a single parent or qualifying persons can receive up to \$3,043. With two children, they can get back \$5,028. Or, three or more qualifying children brings back a maximum return of \$5,657 this year.

For married filing jointly with three or more qualifying children, the income threshold maxes out at \$48,279 for the maximum tax credit.

"That's quite a windfall for a low income family," said Carolyn Debevec, Family

Development Program Manager with San Bernardino Community Action Partnership. "We're going to be doing things around EITC awareness, fliers and ads, to get the word out about the program, who qualifies and how much you can get."

CAP is operating on a small scale this year, she said, but they expect to help about 200 residents with income tax preparation, and their site will be open from February through April 15. One staff member and three volunteers will be on site.

CAP is also partnering with other organizations, such as AARP and Tax Aid, together providing 32 tax preparation sites around the county to handle the many thousands of tax returns expected to come through this year. Last year, they handled about 11,000 returns.

"They really help to recoup a lot of the Earned Income Tax Credit, so many families don't even know they qualify," she said.

People who want to know
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Free Tax Preparations

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where to get their tax return prepared for free can call 211 for site locations. Other agencies will also be conducting tax preparation, including CalWORKs, Inland Empire United Way in partnership with Cal State University San Bernardino.

She said the only difference between the free preparation services is that they do not process rapid refund because it is a rip-off for low income people with extremely high fees. The program provides e-file, which has a seven- to ten-day turnaround for the cash.

"That's part of what we've been trying to get the word out about, not to use Payday advances on refund anticipation loans. You're going to be paying back so much money that could be in your pocket," she said.

The expanding low income community needs fast money and is easily pulled into outrageously high fees.

CAP is seeing more people coming through its doors, waiting for CAP recovery funds to kick in so they can access those dollars in the form of food and

rental assistance.

For those who might want to make better use of the hefty tax refund and thousands of dollars in their hands all at once, Debevec said that their Asset Development program can help people grow their money three-fold.

Through Individual Development Accounts, CAP's cash-matching program turns \$2,000 into \$6,000. After the person completes the 15 mandatory workshops in financial literacy, to meet whatever asset goal the person chooses, such as education or a down payment on a house—they will receive their money.

The program can be completed in as little as six months, or up to two years, she added.

"We try to merge that [refund] with our Asset Development program, and encourage people to put some of that money into an individual development account," she said.

For more information about the Asset Development program and free tax preparation, call CAP at 909.723.1500 or dial 211 for site locations.