

**Community Expansion of Volunteer Income Tax Assistance  
Kristi Cutts, Family Living Educator  
2010 Success Story**

**Situation:**

Through a strategic planning process with key stakeholders in Winnebago County, financial literacy was identified as a significant concern of residents and service providers. Bankruptcy rates, foreclosures, divorce and the county poverty rate indicate the need for improving financial literacy. Further, data gathered from the IRS indicates that in Winnebago County 1,800 persons received Refund Anticipation Loans, and another 3,400 received Refund Anticipation Checks for tax year 2006 with about half of these requests from Oshkosh. The IRS uses the number of Refund Anticipation Checks, and Refund Anticipation Loans as a measure for the need for free volunteer tax assistance services. Financial education can help families learn the lifelong skills of managing their resources to best meet their needs, and ultimately achieve financial stability. Tax Assistance is a piece of overall financial literacy and can help community members conserve their limited dollars by not having to pay a preparer to have their taxes done. Additionally, the Volunteer Income Tax (VITA) Assistance program has an emphasis on assisting clients claim all of the tax credits they are entitled to, including the Federal and State Earned Income Tax Credits, and the Child Tax Credit, which can often secure additional refund dollars that participants might not have claimed on their own.

**Response:**

Planned Responses	Actions Completed
Increase quantity of free tax assistance services in the community	<ol style="list-style-type: none"> <li>1) Established VITA site at Oshkosh Area Community Pantry</li> <li>2) Partnered with AARP Tax Aide site to offer Thursday evening hours and Saturday service</li> </ol>
Raise awareness in the community that free tax help is available	<ol style="list-style-type: none"> <li>1) Designed a marketing/outreach plan &amp; executed said plan</li> <li>2) Posted signs in Oshkosh Transit buses</li> <li>3) Distributed brochures at all area pantries and thrift shops</li> <li>4) Written communication issued to area churches &amp; human service agencies about VITA</li> </ol>
Assist tax payers in securing all available credits/maximizing refund	<ol style="list-style-type: none"> <li>1) Actively worked with UWO College of Business Accounting students in delivering the service to ensure that volunteers were knowledgeable in tax law.</li> <li>2) All volunteers were required to complete IRS Link &amp; Learn Training</li> </ol>
Encourage saving and sound money management practices	<ol style="list-style-type: none"> <li>1) Posted a Financial Education Display at the Oshkosh Area Community Pantry</li> <li>2) Signed up individuals for financial newsletter and basic budgeting classes</li> </ol>
Share UWEX publications and resources on family finance	<ol style="list-style-type: none"> <li>1) Provided free copies of numerous UWEX fact sheets, and publications with the display at the Oshkosh Area Community Pantry</li> </ol>

**Results:**

Planned Outcomes	Results
Tax payer has increased understanding of : <ul style="list-style-type: none"> <li>• tax credits( i.e. Earned Income Credit)</li> <li>• developing a spending plan and ways to save MONEY</li> </ul>	<ul style="list-style-type: none"> <li>• 72 Taxpayers claimed the Earned Income Tax Credit- \$71,535</li> <li>• 23 Taxpayers claimed the Child Tax Credit-\$26,507</li> <li>• 117 Taxpayers had their refund direct deposited into an account.</li> <li>• Secured \$232,630 in Federal Refunds</li> <li>• Secured \$134,020 in State Refunds</li> </ul>
Money spent on tax preparation for limited income families is reduced.	<ul style="list-style-type: none"> <li>• During the 2010 calendar year, 282 tax returns were prepared by volunteer income tax assistance preparers at the Oshkosh Area Community Pantry.</li> <li>• \$56,055 saved in preparer fees</li> </ul>

**Evidence:**

The impact of this effort is documented by data provided by the Internal Revenue Service, community partners and client feedback. Sue Panek, Executive Director of the United Way said this about the VITA project: “As you know United Way cares about results. For us the VITA project provided a service that not only helped people save money by not having to pay for their tax returns, but also put their refunds in their pockets quickly due to the VITA project’s electronic filing. We could not have asked for better results. We filed 282 returns and saved families \$56,055! With those results, we were happy to put our United Way funds toward the VITA project.”

**Plans for sharing results:**

The results of the Oshkosh Area VITA project will be shared broadly with stakeholders and community partners. Specific plans for sharing include:

- Working with Family Financial Education Team in developing a new statewide Impact report
- Reporting results to the Winnebago County Agriculture & Extension Committee
- Sharing project results in the 2010 Winnebago County UW Extension Annual Report
- Posting a success story about the project to the UWEX PRS Reporting System
- Presenting results about the project during the 2010 Building Buck “Tax” Wisline sponsored by the Family Financial Education Team
- Sharing results with community partners like the United Way, Seniors Center, and AARP Tax Aide group
- Sharing project impact with the UWO College of Business Accounting Department to ensure future participation in the project