



# Volunteer Income Tax Assistance (VITA) Centers EITC and Other Tax Credits Can Help Low-Income Families

The Community Capacity Development Office (CCDO) is partnering with the Internal Revenue Service (IRS) to promote asset development for low-income individuals and families by establishing Volunteer Income Tax Assistance (VITA) centers in Weed and Seed sites. VITA centers offer free tax help to people whose incomes are \$37,263 or less, many of whom are eligible for the Earned Income Tax Credit (EITC) and Child Tax Credits.

## **How Does It Work?**

Weed and Seed sites commit to launch a VITA center for at least two years, process a minimum of 100 tax returns, recruit and train volunteers, and conduct outreach into the Weed and Seed community. Weed and Seed sites identify an appropriate location for the VITA center (preferably a Safe Haven), provide the Internet access, and secure an environment for the computer lab. Sites develop partnerships to help support the full operation of the VITA center and link this strategy with financial education, home buyer preparation, and other asset building efforts in their sites.

CCDO provides technical assistance to the Weed and Seed site to establish a VITA. CCDO customizes each computer lab to allow residents to electronically file taxes and trains Weed and Seed staff to operate the computer lab. The IRS provides training for the volunteers and VITA Coordinator, software to process the tax returns, and ongoing technical assistance throughout the tax season.

### What Are the Benefits?

In the first year of the partnership, CCDO launched 50 Weed and Seed VITA Centers. The VITAs processed over **11,000** returns with a value of more than **\$15** million in refunds and tax credits to Weed and Seed residents as of April 2006. In addition, residents paid no fees for tax preparation and no loan anticipation fees for direct deposit of their tax refunds.

### What's Next?

CCDO added 48 Weed and Seed VITA sites in 2006; nearly 100 Weed and Seed VITA sites will be up and operating by January 2007.

### For More Information:

The CCDO Web site (http://www.ojp.usdoj.gov/ccdo) has information on the Weed and Seed VITA Initiative, a list of the current VITA sites, a list of IRS liaisons, other resources, and upcoming opportunities.

Contact: Sonia Klukas, Community Partnership Outreach Officer 810 7<sup>th</sup> Street, NW, Washington, DC 20531 202-616-3454 sonia.klukas@usdoj.gov