



Volunteer Income Tax Assistance (VITA) Program

Final Report 2010

Lakes Region United Way

Summary:

This was our second season operating a Volunteer Income Tax Assistance (VITA) program in Laconia, under the direction of the Lakes Region Financial Stability Partnership, led by Lakes Region United Way. This season we doubled the number of people served and maintained our quality of service with a low rate of rejected returns (6%). Volunteers had to undergo extensive training to fully understand the many new tax credits and changes in existing tax issues.

This season, we saw many taxpayers with unemployment compensation included in their income, as well as many folks who withdrew all or part of their retirement savings. Many taxpayers stated that their yearly income was severely reduced from previous years and we saw families qualify for more credits because of the reduced earnings; especially Earned Income Credit (EIC) for which 44% of our taxpayers were eligible.

Three taxpayers took advantage of the first-time homebuyer's credit at our site, which increased their refunds considerably and they ended up with refunds of \$6,000 to over \$9,000 due to this credit. Many families were eligible for the residential energy credit by purchasing/installing energy-efficient home improvements and others were able to increase their refunds with education credits, changes in child tax credit eligibility guidelines, and increased standard deductions for real estate taxes paid.

We served a large number of refugees at the site this year, particularly newly arrived refugees from Bhutan; many who were filing their first tax return in the United States.

In collaboration with some of the coalition members of the Lakes Region Financial Stability partnership, we introduced some financial literacy & asset building incentives at the site this year, but interest in committing to the programs was low. We did award three \$50 Savings Bonds, donated by Meredith Village Savings Bank, as a referral bonus to taxpayers who referred someone to the site.

The VITA volunteers committed 456 hours to providing direct services for this program (excluding training).

Laconia Site Statistics:

255 tax returns prepared & filed at the Laconia Site. (250 e-filed & 5 Paper Returns)

113 tax returns were eligible for Earned Income Tax Credits (EIC) (**44%**)

Total Refund Dollars into the community = **\$467,399**

Total EIC Dollars into the community = **\$161,503**

The average refund for our taxpayers = **\$1997**

The average adjusted gross income of our Taxpayers = **\$18,153**

Filing Status Single: **122** Married Filing Jointly: **73** Head of Household: **60**

Number of taxpayers utilizing direct deposit of their refund: **125**

How did you hear about our tax site?

Agency **39** Family **28** Flyer **53** Friend **38**
Newspaper **11** Other **10** Returning Customer **76**

How did you have your tax return done last year?

AARP Site **5** Didn't File **59** Friend/Family **13**
Did My Own **23** Paid Preparer **61** Here (this site) **76**
Other VITA Site **10** Other **8**

Do you receive any type of public assistance? Yes: **154** No: **101**

Do you or anyone in your household have a disability? Yes: **79** No: **176**

Is the main language in your home other than English? Yes: **61** No: **194**

Interested in programs/services to help w/your finances? Yes: **90** No: **165**