

Maximizing Benefits

Goodwill Helps People Keep Money in Their Pockets with VITA Services and Support

BY DEBRA BERKOWITZ MCCRAW

In the complicated and confusing world of tax returns, tax preparation services and refund anticipation loans (RALs) may sound appealing, but they often cost more than taxpayers bargain for and can afford.

To help alleviate the confusion, Goodwill Industries® has teamed up with the U.S. Internal Revenue Service (IRS) to offer

guidance and filing services to taxpayers with low incomes. The IRS Volunteer Income Tax Assistance (VITA) program certifies volunteers to prepare tax returns and ensure that the returns are filed correctly, on time, and include all qualifying credits, such as the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC).

Number of Returns Doubles from 2009 to 2010

Goodwill® of Southwestern Pennsylvania (Pittsburgh) is a member of the Money in Your Pocket Coalition, which provides free tax credit information and tax preparation assistance, and helps residents hold on to more of their hard-earned dollars. Coalition members operate their own VITA sites, and in the upcoming tax season, the Goodwill will run two sites.

new clients learn via word of mouth from friends and family members who have had positive experiences with the program.

The Goodwill's new site will be located near a food pantry, a Goodwill partner. Bigley says this should help spread the word to more people who need help.

"People are so bombarded with ads for tax prep sites... that they don't realize they can get help for free," says Mary Jane Bigley, director of community supports for the Goodwill.

Bigley enlists eight volunteers each day, from January to April, to schedule appointments, greet clients, complete tax returns and double-check the returns before they're filed. Many volunteers are college students, often studying law and accounting.

In 2010, the Goodwill helped twice as many taxpayers as in 2009, which spurred the decision to add a second site in 2011. While thrilled about the growth, Bigley says many people still don't know the service is available. Despite the coalition's marketing efforts, many

Did You Know?

- Last year, nearly 100 Goodwill agencies provided assistance to employees, program participants and the public.
- 53 Goodwill agencies participate in tax coalitions to provide free tax preparation.
- More than 20 Goodwills provide IRS-certified VITA sites.
- Goodwill's VITA sites prepared more than 21,000 tax returns and helped families secure more than \$33 million in tax refunds in 2009.

Call (800) 829-1040 or visit www.goodwill.org to find a VITA site near you.



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Another challenge for the coalition is helping people who do not use banks. Refunds that can be direct deposited will be processed faster than those sent by check. RALs alleviate this problem, in that they enable instant access to refunds. However, taxpayers not only pay for this service, but they also pay interest on the loans.

To provide a similar service free of charge, the Money in Your Pocket Coalition teamed up with PNC Bank to offer free debit cards not associated with bank accounts. The IRS can deposit refunds directly to the debit cards, and taxpayers can then use them anywhere that debit cards are accepted.

“It’s amazing what people pay when they don’t need to,” she says. “[VITA is] one of the best services I think we can give to the community.”

Tax Site Leads to Creation of Success Center

Goodwill Industries of the Southern Rivers (Columbus, GA) started its VITA site with a bang in 2010. Completing more than 1,200 tax returns, it was named the top-producing first-year site by the IRS and the second-highest top-producing site in the state.

Thanks to its strong start, the Columbus Goodwill has been able to expand its VITA services. Now the agency can operate its tax services year round, helping people file back taxes.

“It keeps people from having to go to the IRS, which can be very intimidating,” says Kim Cantrell, vice president of mission services for the Goodwill.

Additionally, the Goodwill was chosen for a pilot program that places IRS field agents at VITA sites to assist with complicated returns. By having a field agent on site, taxpayers can complete their returns quickly and in one visit. In some

cases, individuals are referred to the IRS to complete their returns.

What began as a VITA site is now the Goodwill’s first bilingual, bicultural Success Center. The facility, which opened in May 2010, combines career assistance with financial education. The agency believes that the pathway to success is built on both career and financial accomplishments.

“We had a larger vision for helping people move out of poverty,” Cantrell says. “We believe success is more than just a job.”

At the center, anyone can receive job search and résumé assistance, take financial literacy and English as a Second Language (ESL) classes, and get referrals to free resources such as nonprofit credit counselors. Local banking partners, including Wachovia/Wells Fargo, teach classes on checking and savings accounts, and other topics related to personal finance.



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Disability Benefits Protected

In addition to operating a VITA site, **Goodwill Industries of Central Florida** (Orlando) educates people with disabilities about taxes and tax credits. Working closely with the Real Economic Impact (REI) Tour of the National Disability Institute, the agency serves as a link between its clients and resources.

“We bring together community partners who work with people with disabilities,” says Linda Rimmer, the Goodwill’s vice president of vocational and community services.

The REI Tour aims to build a better economic future for people with disabilities who earn low wages and their families. It focuses on developing a road map out of poverty through innovation and collaboration. With this in mind, the Goodwill convened local organizations to provide financial information and resources to people with disabilities.

“We want people who qualify for credits to know that they’re available,” Rimmer says. “Sometimes people with disabilities do not realize that there are credits available that won’t impact the other benefits they receive.”

Because an individual needs to have earned income other than disability benefits to qualify for the EITC, many people with disabilities think they are not eligible. Rimmer says some people think they haven’t worked enough or have earned too much. Additionally, some people are hesitant to apply for credits because they think they will negatively impact their existing benefits.

The Goodwill connects its program participants with organizations through resource fairs and also educates community partners on the needs of people with disabilities.

“We’re trying to work seamlessly with community partners who serve people with disabilities and help get them the resources they need to reach their own clients,” Rimmer says.

The Columbus Goodwill has also begun holding Money Smart classes, a comprehensive financial education program of the U.S. Federal Deposit Insurance Corporation (FDIC).

“Many people who come into the job center need help with money management as well,” Rimmer says. “We want to show them that they can build their assets now.” ■



Success Snapshot



Kirby Kaple, financial services specialist at Goodwill Industries of the Southern Rivers (Columbus, GA), remembers first meeting **Candace Cameron** in May 2010.

“She just popped in for a job fair,” Kaple recalls. “The next week, we met to discuss her finances. The more we met, the more we progressed in a lot of areas.”

Cameron had been working with a non-profit credit counselor to reduce her debt. As a young, single mother, Cameron found credit cards attractive, but soon got in over her head. Her counselor referred her to the Goodwill to find a higher-paying job. But she found more than that.

“Kirby is like a mentor to me. She’s a good friend, as well,” Cameron says. “She always asks how I’m doing and what’s going on. She shows that she cares.” Kaple led Cameron to a higher-paying

job with a school district and got her thinking about the future. She suggested the fast-growing health care field as a career path. With Kaple’s guidance, Cameron enrolled in a certified nursing assistant (CNA) program.

Cameron also attended Goodwill’s financial literacy classes. She learned about banking and money management and now has savings and checking accounts, which saves her the \$5 fee per check when using check-cashing services. The Success Center gave Cameron the resources to accomplish her dreams, but Cameron has always had the drive.

“I want to keep going up rather than going down,” she says. “There isn’t a secret to it. Just work hard and use what you’ve been taught. Don’t let anything stop you from doing what you need to do.”