Executive Summary
Cuyahoga County provides funding to the Earned Income Tax Credit (EITC) Coalition to help low- and moderate-income workers and their families claim the EITC. This credit is available to working people with family incomes of less than about $37,000 with two children or less than about $33,000 with one child. In 2004, more than 769,000 Ohio families claimed an average credit of $1,720, bringing more than $1.3 billion to Ohio communities. In Cuyahoga County, 106,000 families claimed the credit, bringing in more than $192 million.

Although 15 percent of Ohio’s filers claim the credit, some eligible families do not file or pay high fees to prepare tax returns or purchase refund-anticipation loans (RALs) that allow the filer to get the refund sooner. More than 67,000 families purchased a RAL in Cuyahoga County in 2003, representing more than 63 percent of EITC recipients.

In 2006, sites in the Coalition served more than 3,444 filers, up from 2,331 in 2005. Fewer than half of those served qualified for the EITC based on earnings and family size, although all earned less than $40,000. Area VITA sites helped claim more than $1.8 million in EITC credits.

Of the 1,000 filers surveyed:
- The average age was 42 and average adjusted gross income was $16,480.
- Six percent were Hispanic (any race), 20 percent white and 68 percent black.
- Eighty percent had at least a high school degree, 17 percent had an Associate or Bachelor’s degree.
- The average filer worked close to full time (more than 36 hours a week).
- Twenty-three percent reported that they or a family member was in a union.
- About 15 percent got Medicaid or cash assistance, down from 25 percent in 2005.
- Filers were most likely to learn about VITA sites and the EITC from family and friends, but growing numbers were reached by marketing efforts.
- More than twice as many (36 percent) filers said their primary reason for using the VITA site was that they “came here last year”.
- Most respondents (75 percent) have access to the internet.
- Only 25 percent said they had never paid for tax service, while 45 percent said they had paid for tax preparation fees, and five to fifteen percent said they’d paid for early refunds, refund loans or check cashing.
- The biggest group (48 percent) said they would use the money to pay household bills, 22 percent said they would save the money, and others said they would spend the money on housing (19 percent), groceries (17 percent), or car or home repairs.
- Sixty-one percent of respondents said the credit would help them “some” or “a lot”.
- Twenty percent of filers had no bank account, 34 percent had a savings account and 69 percent had a checking account.

In short, the Cuyahoga EITC coalition is reaching very low-income filers who benefit greatly from the service. However, the coalition must work to reach more residents and more EITC-eligible families.