



Contact: David Rothstein, 216.361.9801
policymattersohio.org/ohio-tax-coalitions-nov2011

Seven Ohio tax coalitions receive \$396,000

Working families making under \$50,000 eligible for free tax assistance

For thousands of low- and moderate-income Ohioans, free tax preparation assistance is increasingly available this tax season. Seven Ohio coalitions, with dozens of free tax sites, received grants from the Internal Revenue Service to participate in the Volunteer Income Tax Assistance (VITA) program. The VITA program provides free tax preparation for low-income and underserved families through trained and certified volunteers. Other free tax preparation efforts include The Ohio Benefit Bank™ and certain tax clinics that together prepare more than 100,000 tax returns in Ohio. The seven grantees received more than \$396,000 to expand their free tax preparation services in the communities they serve.

Key findings

- The average Ohio EITC is \$2,100;
- Free tax preparation is available for those making \$50,000 or less;
- Paid tax preparation can be costly.

“This grant is great for Ohio because free tax preparation allows working families to get their full refunds,” said David Rothstein, project director for Policy Matters Ohio. “It is fast, efficient, and now widely available across Ohio.”

Free tax preparation allows families making about \$50,000 or less to receive and keep all of their refund while ensuring proper federal and state tax filing. Paid tax preparation can be expensive, particularly for families living at or below the poverty level. Many economic and social programs are administered through the tax system, making free tax preparation crucial for working families.

Much of the focus of free tax preparation includes helping families to claim the Earned Income Tax Credit (EITC), a refundable tax credit that helps families pay for basic needs. The EITC is the largest national poverty relief program for low- and middle-income families. Its popularity stems from its emphasis on work, its simplicity, and its ability to assist children in low- and moderate-income families. Working families and policymakers praise the EITC because it is refundable – if the credit exceeds the amount owed by the taxpayer, the taxpayer receives a refund for the difference. In 2010, the EITC provided more than 950,000 Ohio families with total refunds of \$2.1 billion, an average of \$2,100 per claiming family.¹

Each tax coalition sets income eligibility for free tax preparation. For the VITA program, limits are generally \$49,000; the Ohio Benefit Bank™ sets its limit at \$60,000. Table 1 lists the seven grant recipients with their contact information.

¹ Internal Revenue Service, “EITC State Statistics at-a-Glance for Tax Year 2010.” <http://www.eitc.irs.gov/central/eitcstats/> (updated 10/13/2011).

Table 1

2012 VITA grant award recipients in Ohio

Coalition	Region	Award	Client contact	Partner contact
Akron Summit Community Action	NE Ohio	\$54,840	2-1-1	Tina Merlitti (330) 643-8626
United Way of Youngstown and the Mahoning Valley	Eastern Ohio	\$26,000	2-1-1	Ginny Pasha (330) 746-8494
Cuyahoga EITC Coalition (also Lorain and Lucas)	NE Ohio	\$125,000	2-1-1	Ben Nichols, Kathy Mathews (216) 631-0280
Ohio Association of Second Harvest Foodbanks	SE Ohio	\$50,000	800-648-1176	Jason Elchert, Maryjo Woodburn (614) 221-4336
United Way of Central Ohio	Central Ohio	\$85,000	2-1-1	Matt Kosanovich, Sarah Harrigan (614) 241-2733
United Way of Greater Cincinnati	SW Ohio	\$34,570	2-1-1	Lucy Crane (513) 762-7192
United Way of Ross County	SE Ohio	\$20,650	740-779-2274	Mary Elsass (740) 773-3280
total		\$396,240		

###