



Center for Economic Progress
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Congress Commits First-Time Funding to Help Struggling Families Get the Max from Tax Time *VITA programs to receive \$8 million*

Chicago, IL – Tax time is a struggling family's best chance to get ahead, and millions more will be able to thanks to the ground-breaking \$8 million in federal funding United States Congress has awarded to community-based Volunteer Income Tax Assistance (VITA) programs. This new financial commitment comes at a critical time when the financial landscape is growing more troublesome for low-wage families. This new federal funding will help more than one million low-wage earners get the benefits they've earned at tax time while avoiding more than \$200 in fees that they often forfeit when using a paid preparer.

Working hand-in-hand with thousands of volunteers, VITA programs are responsible for returning more than \$1 billion in tax refunds to the hard-to-reach communities that live deepest in poverty. With tax credits such as the Earned Income Tax Credit (EITC) worth more than \$4,000, tax time is an opportunity low-wage families cannot afford to miss out on. Approximately 36 million Americans are eligible to use VITA services, but limited resources have kept VITA programs from expanding their reach.

"This first-time federal commitment acknowledges the value of community tax programs working throughout the country," said David Marzahl, Executive Director of the Center for Economic Progress. "We would especially like to thank Illinois Senator Richard Durbin for his strong support of community VITA and income tax preparation assistance for low-wage taxpayers."

Despite the fact that federal funding has been allocated to VITA programs serving senior citizens and military personnel for several years, the same has not been true of community-based VITA. For the past five years, the Center for Economic Progress worked with members of its National Community Tax Coalition in a grass-roots effort to establish federal support. Across the country, VITA volunteers and families served by these programs called and emailed their members of Congress, urging them to support these critical services to help hard-working families achieve financial stability.

The community VITA grants program will be designed in 2008 and grants are expected to be awarded in time for the 2009 tax season.

About the Center for Economic Progress

The Center for Economic Progress encourages self-sufficiency and promotes economic prosperity among America's working families. Since 1990, the Center has built a reputation for innovative programs and forward-thinking initiatives -- using the tax code to help 175,000 low-wage families achieve financial stability. Operating at the local, state, and national levels, the agency provides direct services, education, and advocacy to achieve its goals. Visit www.centerforprogress.org.

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Note to Editors:

Staff members at the Center for Economic Progress are nationally recognized experts on tax and financial issues affecting low-wage working families. To reach the Center's experts, contact Melissa Spear at 312-630-0250.