

TAFI End of Tax Season Report

	2008	2009	% change*
Total Tax Returns Completed	18,353	21,045	15%
Total Federal Refunds	\$21,271,474	\$32,238,132	52%
Total EITC Filers	4,545	6,982	54%
Total EITC Refunds	\$7,144,295	\$10,992,111	54%
Money Saved in Tax Prep Fees (\$150 average cost per return)	\$2,752,950	\$3,156,750	15%
Total Calls to 2-1-1	26,500	27,035	2%

*In 2008, VITA prepared returns for individuals who would not ordinarily be required to file a tax return, but needed to do so in order to receive an Economic Stimulus Payment (ESP). Removing the ESP returns from 2008 totals, 2009 reflects a **22%** increase in TAFI's total number of returns.

2009 Season Highlights

- TAFI IRS sub-grantee coalitions saw a 22% **increase** in the number of returns filed this tax season, while non-VITA grant sites in Tennessee experienced an overall 3.3% **decrease** in filing.
- The Tennessee Department of Human Services provided a \$371,155 grant to fund several new projects for seven regional coalitions in Tennessee, resulting in a return of \$79 for each grant dollar. If including money saved in tax preparation fees, the return is nearly \$87 for each grant dollar.
- TAFI hosted its second annual Tennessee EITC Symposium attended by DHS staff and nine coalitions from across the state. They shared best practices and strategies for the 2009 tax season.
- Governor Phil Bredesen declared January 30, 2009, as Tennessee Earned Income Tax Credit Day. Additionally, he recorded an EITC radio and television public service announcement, which received airplay across the state at a value of over \$172,000.
- With the DHS and IRS grant funds, TAFI partnered with 65 VITA sites across the state, serving 39 counties.
- TAFI was awarded the nation's third largest federal VITA grant. The \$227,000 grant helped TAFI expand VITA services to 39 counties, serving a total of 20,849 clients.
- More than 30 languages were represented by VITA clients and their families.
- 1,987 clients that received a high-interest "rapid refund" last year saved that hard-earned money by visiting a VITA site this year!
- TAFI served 1,395 clients who were disabled or had a disabled member in their household.
- TAFI clients had a median AGI of \$17,367.

TAFI

The Tennessee Alliance for Financial Independence (TAFI) is a statewide collaboration of partners that:

- Provide Earned Income Tax Credit (EITC) outreach;
- Coordinate local Volunteer Income Tax Assistance (VITA) free tax preparation programs; and/or
- Promote financial literacy, savings, and other asset-building programs designed to lead to long-term financial independence.

Earned Income Tax Credit (EITC)

The Earned Income Tax Credit (EITC) is a refundable tax credit available to working families and individuals. The IRS estimates that, each year, 20-25% of those eligible for EITC do not claim it. TAFI estimates that to equate to 196,000 Tennesseans across the state.

This money can make a huge difference to a family living paycheck to paycheck, making it possible for them to do things that many of us take for granted: repair the family car, get needed medical or dental attention, pay for quality childcare, or pay past due rent to avoid eviction.

The EITC is arguably the most effective anti-poverty program in America and lifts more children out of poverty than any single federal program or combination of federal programs. Research shows that some families not only use the extra money to get out of debt but also to start building assets, including saving for the down payment on a home or paying for more education.

This refundable federal income tax credit can provide substantial benefits- up to \$4,824 to qualified filers in tax year 2008, depending on income, family size and marital status.

“Tax time may be one of the only chances many families have each year to put some money into savings. It’s a real step towards achieving greater financial stability and why the free tax help is so critical,” said Congressman Jim Cooper.

(Source: Brookings Institution)

Volunteer Income Tax Assistance (VITA)

To help ensure that Tennessee’s working families are filing for the tax credits they have earned and to help those families save hundreds of dollars in commercial tax fees and predatory “rapid refund” loans, TAFI supports Volunteer Income Tax Assistance (VITA). Families all over the state making a household income of less than \$42,000 can access VITA sites and have their taxes prepared for FREE!

Statewide Coalition Reports

(2008 totals include Economic Stimulus Returns)

Chattanooga

Urban League of Greater Chattanooga covering Bradley and Hamilton Counties

	2008	2009	% change
Total Tax Returns Completed	3,557	3,037	-.15%
Total Federal Refunds	\$2,432,956	\$3,736,049	54%
Total EITC Filers	422	900	113%
Total EITC Refunds	\$851,345	\$1,219,581	43%
Total VITA Sites	19	12	

Clarksville

United Way of the Greater Clarksville Region/Clarksville Regional Alliance for Financial Independence covering Montgomery County

	2008	2009	% change
Total Tax Returns Completed	1,263	1,313	4%
Total Federal Refunds	\$987,546	\$1,566,776	59%
Total EITC Filers	305	447	47%
Total EITC Refunds	\$390,434	\$613,988	57%
Total VITA Sites	2	3	

Knoxville

United Way of Greater Knoxville covering Knox County

	2008	2009	% change
Total Tax Returns Completed	1,020	714	-30%
Total Federal Refunds	\$830,631	\$964,764	16%
Total EITC Filers	202	113	-44%
Total EITC Refunds	\$499,017	\$476,172	-5%
Total VITA Sites	1	2	

Nashville

United Way of Metropolitan Nashville/Nashville Alliance for Financial Independence covering Davidson County

	2008	2009	% change
Total Tax Returns Completed	7,249	7,008	-3%
Total Federal Refunds	\$8,997,069	\$11,409,298	27%
Total EITC Filers	1,997	2,270	14%
Total EITC Refunds	\$3,231,299	\$3,813,082	18%
Total VITA Sites	15	16	

Memphis

United Way of the Mid-South/EITC Alliance of Memphis covering Fayette, Lauderdale, Shelby, and Tipton Counties

	2008	2009	% change
Total Tax Returns Completed	4,731	5,198	10%
Total Federal Refunds	\$7,239,836	\$9,229,518	28%
Total EITC Filers	1,449	1,749	21%
Total EITC Refunds	\$2,422,599	\$2,641,075	9%
Total VITA Sites	22	27	

West Tennessee

United Way of West Tennessee/Family Self-Sufficiency Alliance covering Madison, Crockett, Hardeman, Gibson, McNairy, Weakley, Henderson, Haywood, Carroll, and Dyer Counties

	2008	2009	% change
Total Tax Returns Completed	462	924	100%
Total Federal Refunds	\$738,433	\$1,660,775	125%
Total EITC Filers	155	372	140%
Total EITC Refunds	\$228,019	\$580,118	154%
Total VITA Sites	3	5	

Williamson County

United Way of Williamson County/CASH Alliance of Williamson County

	2008	2009	% change
Total Tax Returns Completed	71	194	173%
Total Federal Refunds	\$45,003	\$273,780	508%
Total EITC Filers	15	57	280%
Total EITC Refunds	\$20,559	\$85,964	318%
Total VITA Sites	2	2	

Mid-Cumberland Region (NEW TAFI PARTNER)

Mid-Cumberland Community Action Agency covering Cheatham, Robertson, Rutherford, Sumner, Trousdale, Williamson and Wilson Counties

2009

Total Tax Returns Completed	740
Total Federal Refunds	\$994,127
Total EITC Filers	328
Total EITC Refunds	\$424,304
Total VITA Sites	7

South Central Tennessee (NEW TAFI PARTNER)

South Central Human Resource Agency covering Bedford, Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, and Wayne Counties

2009

Total Tax Returns Completed	1,756
Total Federal Refunds	\$2,206,713
Total EITC Filers	526
Total EITC Refunds	\$681,365
Total VITA Sites	7

Tax Data

Performance Indicators	User Survey	
# filling in Intake Survey	14,400	100.00%
# African-American	7,542	53.57%
# Asian/Pacific Islander	158	1.12%
# Caucasian	4,461	31.69%
# Latino/Hispanic	946	6.72%
# Native American	255	1.81%
# Multi-racial	401	2.85%
# Other race	315	2.24%
# who did their taxes here	4,829	36.97%
# who did their taxes at another free place like this	1,726	13.21%
# who did their own tax preparation last year	828	6.34%
# who had family or friend file for free	1,128	8.64%
# who paid someone else last year and received instant refund	1,257	9.62%
# who paid someone else last year and did not received the instant refund	2,002	15.33%
# who did not file taxes last year	951	7.28%
# who never filed before	341	2.61%
# with bank account	10,053	83.82%
# without bank account and are interested	707	5.90%
# without bank account but not interested now	1,233	10.28%
# owning a home with a mortgage	4,748	36.81%
# owning a home without a mortgage	<25	
# renting home or apartment	5,041	39.08%
# living with family	2,178	16.88%
# living with someone else	842	6.53%
# homeless	73	0.57%
# who put money into savings account last year	3902	38.79%
# who put money into retirement account last year	1283	12.76%
# who participated in a pooled savings group last year	116	1.15%
# who used money orders to pay bills	3421	34.01%
# who used check casher	587	5.84%
# who wired money to friend or family	565	5.62%
# who used a payday loan	184	1.83%
# filing returns	21,045	
# federal returns filed (electronic)	17,935	93.35%
# federal returns filed (paper)	1,262	6.57%
# state returns filed (electronic)	494	35.14%
# state returns filed (paper)	912	64.86%
# filed as Single	10,525	54.78%
# filed as Married - Joint	3,544	18.45%
# filed as Married - Separate	627	3.26%
# filed as Head of Household	4,502	23.43%
# filed as Qualifying Widow(er)	14	0.07%

Total Child & dependent care credit	\$229,448.00	
Total Child tax credit	\$4,574,543.00	
Total Earned Income tax credit	\$10,992,111.00	
Total Education credit	\$497,169.00	
# with positive tax amounts	10,655	55.46%
# claiming Child & dependent care credit	483	2.51%
# claiming Child tax credit	3,708	19.30%
# claiming Earned Income tax credit	6,982	34.28%
# claiming Education credit	615	3.20%
Median Adjusted gross income	\$16,813.00	
# with AGI > \$37,263	2,376	12.37%
# with 0 dependents	12,720	66.21%
# with 1 dependent	3,651	19.00%
# with 2 dependent	2,072	10.78%
# with 3+ dependent	768	4.00%
# claiming Unemployment compensation	1,719	8.95%
# reporting self-employment income	1,182	6.15%
Total federal refunds claimed	\$32,238,132.00	
Total state refunds claimed	\$123,548.00	
# with positive federal refund amounts	16,383	85.27%
# with positive state refund amounts	503	35.78%
# using direct deposit (federal tax)	10,237	62.49%
# depositing to 1 account	10,234	99.97%
# depositing to 2 accounts	<25	
# depositing to 3 accounts	<25	
# <18 yrs old	277	1.44%
# 18-24	2,842	14.79%
# 25-34	3,213	16.72%
# 35-44	3,278	17.06%
# 45-54	3,925	20.43%
# 55+	5,618	29.24%
Average age at tax preparation year	44.55	

Site User Survey Report

Answer	Count
What is the highest level of education that you have completed? (Select One)	

Less than high school	1412
High School or GED	5311
Some college or tech school	3697
Two-year degree (Associates)	905
Four-year degree (Bachelors)	1080
Some graduate school	250
Graduate degree	423
Rather Not Say	944

What is your current living arrangement? (Select One)

I own my home	4734
I rent a home or apartment	5037
I live with my family	2178
I live with someone else	667
I live in a dorm or other group setting	172
I am currently homeless	72
Rather not say	1263

Do you have a bank account in your own name? (Select One)

Checking & Savings	4874
Checking	4645
Savings	534
No, but would like one	707
No, not really interested	1233
Rather not say	1916

How did you have your taxes done last year? (Select One)

Here	4821
Another Free place like this	1725
Did my own	827

Family or Friend did them for me	1127
Paid someone and got an instant refund	1253
Paid someone without getting an instant refund	1987
Did not file last year	945
Have Never Filed Before	338
Rather Not Say	1216

How did you hear about this place? (Select One)

I came here last year	4433
From the radio or TV ad	1374
I saw a flyer or something in the paper	1636
I walked by	500
Friend or family member told me	3503
Someone else told me	1647
Not sure	121
Rather not say	961

How well do you speak English? (Select One)

Very Well or English is my primary language	10287
Well	1094
Not very well	471
Not at all	106
Rather not Say	1992

What is your gender?

Male	3961
Female	7637
Married-Joint Return	1726
Rather not say	351

Other than English, what language is spoken in your home? (TW)

NONE	6,702
AFRICA	1
AMHARIC	1
ARABIC	6
ARMENIAN	1
AMERICAN SIGN LANGUAGE	24

BLACKFEET	1
CHINESE	8
FARSI	1
FRENCH	19
FRENCH & CREOLE	1
GERMAN	22
GUJARATI	1
HINDI	9
IRUNDI	1
ITALIAN	2
JAPANESE	5
KISWAHILI	1
KIUNDI	1
KOREAN	12
MALAGASY	1
MALAYSAN	1
MANDARIN	1
POLISH	2
POLYNESIAN	1
RUSSIAN	17
SOMOAN	1
SHONA	1
SOMALI	1
SPANISH	661
SPANISH, FRENCH	1
TAGALOG	4
VIETNAMESE	17
Not Specified	11683

Are you or a member of your household considered disabled? (TW)

NO	12,090
YES	1,395
Not Specified	5726