

TAFI End of Tax Season Report

	2008	2009	2010	% change*
Total Tax Returns Completed	18,353	18,388	22,422	6%
Total Federal Refunds	\$21,271,474	\$29,380,960	\$ 38,991,420.00	17%
Total EITC Filers	4,545	6,128	7,890	12%
Total EITC Refunds	\$7,144,295	\$9,886,442	\$ 13,415,705.00	18%
Money Saved in Tax Prep Fees (\$150 average cost per return)	\$2,752,950	\$2,758,200	3,363,300	16.7%
Total Calls to 2-1-1	26,500	27,035	21,851	-23.7

*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.

2010 Season Highlights

- TAFI saw a 6% increase in number of tax filers.
- The Tennessee Department of Human Services provided a \$340,000 grant to fund several new projects for eight regional coalitions in Tennessee, resulting in a return of \$15 for each grant dollar.
- TAFI was awarded the 13th largest VITA grant in the country from the Internal Revenue Services. This allowed expansion of mobile sites in 22 counties
- To serve a greater population, an online do-it-yourself filing option was available to VITA clients resulting in 536 filings.
- TAFI hosted its third annual EITC Symposium attended by nine coalitions from across the state. They shared best practices and strategies for the 2010 tax season. TAFI also partnered with the Federal Reserve Banks of Atlanta and St. Louis to host a statewide asset building conference entitled "Asset Building: Pathways to Family Economic Security." The conference featured national experts on different asset building programs and policies and was attended by approximately 120 individuals representing organizations across the state.
- DHS grant funds enabled TAFI to hire a full-time coalition coordinator dedicated to managing and expanding the coalition. Success included securing the Douglas Cherokee Economic Authority alliance for 2011, representing 7 counties, expanding VITA services into two additional counties and establishing an Advisory Council.
- Governor Phil Bredesen declared January 30, 2010, as Tennessee Earned Income Tax Credit Day.

- In cooperation with the Tennessee Association of Broadcasters, Spotland Productions and the Governor's office, an EITC radio and television public service announcements, featuring Governor Phil Bredesen and VITA client Judy Sims, received airplay across the state at a value of over \$186,000.
- With the DHS grant funds, TAFI operated 72 VITA sites across the state, serving 34 counties.
- 1078 clients that received a high-interest "rapid refund" last year saved that hard-earned money by visiting a VITA site this year!
- TAFI served 984 clients who were disabled or had a disabled member in their household.
- TAFI clients had a median AGI of \$17,293.50.
- TAFI survey respondents report an 16.8% increase in number of households with both checking and savings accounts and 13% increase in those without a banking account and are interested in more information.
- TAFI clients listed their top three plans on how to spend refunds as, pay bills (65.3%); purchase food or clothing and add to savings (25.1%) and use for rent, home repair and/or mortgage (19.6%).

Tennessee Alliance for Financial Independence (TAFI)

The Tennessee Alliance for Financial Independence (TAFI) is a growing statewide collaboration of partners that **fosters and encourages asset development and preservation programs designed to lead to long term financial stability**. Governed by an Advisory Council, the TAFI coalition accomplishes its mission by coordinating local Volunteer Income Tax Assistance (VITA) free tax preparation programs, promoting the Earned Income Tax Credit awareness across the state and sharing financial education and asset development best practices. TAFI is funded by a grant to the United Way of Metropolitan Nashville from the Tennessee Department of Human Services

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.

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 \$5,657 to qualified filers in tax year 2009, 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 \$49,000 can access VITA sites and have their taxes prepared for FREE!

In addition to the free VITA sites, TAFI partners with One Economy to promote Beehive, a free do-it-yourself online tax filing for VITA clients. This link was available on both the Nashville Alliance and Tennessee Alliance for Financial Independence websites and resulted in 536 tax filers thus allowing clients the freedom of filing taxes according to their schedules.

Statewide Coalition Reports

Chattanooga

Urban League of Greater Chattanooga covering Bradley and Hamilton Counties

	2008	2009	2010	% change
Total Tax Returns Completed	3,557	3,037	3,381	10%
Total Federal Refunds	\$ 2,432,956	\$ 3,736,049	\$ 4,890,882	23.60%
Total EITC Filers	422	900	1,008	10.70%
Total EITC Refunds	\$ 851,345	\$1,219,581	\$ 1,498,900	18.60%
Total VITA Sites	19	12	14	

Clarksville

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

	2008	2009	2010	% change
Total Tax Returns Completed	1,263	1,313	1,203	-9%
Total Federal Refunds	\$ 987,546	\$ 1,566,776	\$ 1,653,583	6%
Total EITC Filers	305	447	413	-8.2%
Total EITC Refunds	\$ 390,434	\$ 613,988	\$ 572,507	-7.2%
Total VITA Sites	2	3	2	

Knoxville

United Way of Greater Knoxville covering Knox County

	2008	2009	2010	% change
Total Tax Returns Completed	1,020	714	1,026	30%
Total Federal Refunds	\$ 830,631	\$ 964,764	\$ 168,7002	42.8%
Total EITC Filers	202	113	498	77%
Total EITC Refunds	\$ 499,017	\$ 476,172	\$ 704,315	32%
Total VITA Sites	1	2	2	

Memphis

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

	2008	2009	2010	% change
Total Tax Returns Completed	4,731	5,198	4,999	-3.9%
Total Federal Refunds	\$ 7,239,836	\$ 9,229,518	\$ 9,355,679	1.3%
Total EITC Filers	1,449	1,749	1,687	-3.7
Total EITC Refunds	\$ 2,422,599	\$ 2,641,075	\$ 3,186,316	17.11%
Total VITA Sites	22	27	23	

	2009	2010
Total Tax Returns Completed	1,428	1,140
Total Federal Refunds	\$ 2,520,545	\$ 555,563
Total EITC Filers	553	449
Total EITC Refunds	\$ 993,969.00	\$ 978,248

	2009	2010
Total Tax Returns Completed	221	246
Total Federal Refunds	\$ 489,730	\$ 528,925
Total EITC Filers	137	147
Total EITC Refunds	\$ 273,135	\$ 287,489

Mid Cumberland

Mid Cumberland Community Action Agency covering Cannon, Cheatham, Macon, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson and Wilson Counties.

	2008	2009	2010
Total Tax Returns Completed	DID NOT PARTICIPATE	DID NOT PARTICIPATE	769
Total Federal Refunds			\$ 1,229,320
Total EITC Filers			371
Total EITC Refunds			\$ 540,953
Total VITA Sites			6

Nashville

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

	2008	2009	2010	% change
Total Tax Returns Completed	7,249	7,008	7,534	7%
Total Federal Refunds	\$ 8,997,069	\$ 11,409,298	\$ 13,973,666	18%
Total EITC Filers	1,997	2,270	2,568	12%
Total EITC Refunds	\$ 3,231,299	\$ 3,813,082	\$ 4,589,083	17%
Total VITA Sites	15	16	18	

DHS Mobile Site @ East Nashville/McNeilly 2010

Total Tax Returns Completed	1,516
Total Federal Refunds	\$ 2,549,361
Total EITC Filers	595
Total EITC Refunds	\$ 965,304

DHS Super Site @ Woodbine 2009 2010

Total Tax Returns Completed	2,084	2,125
Total Federal Refunds	\$ 3,770,149	\$ 4,323,591
Total EITC Filers	759	801
Total EITC Refunds	\$ 1,336,832	\$ 1,512,978

Roane County

United Way of Roane County covering Roane County

	2008	2009	2010
Total Tax Returns Completed	Did Not Participate	Did Not Participate	312
Total Federal Refunds			\$ 432,034
Total EITC Filers			101
Total EITC Refunds			\$ 130,649
Total VITA Sites			1

South Central Human Resource Agency

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

	2008	2009	2010	% of Change
Total Tax Returns Completed	Did Not Participate	1,756	1,622	-8.2%
Total Federal Refunds		\$ 2,206,713	\$ 2,442,916	9.6%
Total EITC Filers		526	553	4.9%
Total EITC Refunds		\$ 681,365	\$ 758,527	10.2%
Total VITA Sites		7	7	

**National Tax Assistance for Working Families 2009
Performance Indicators Report v9.0**

Date of Report: 6/8/2010

**TN Alliance for Financial
Independence (TAFI)**

Performance Indicators	All Clients	
Number of VITA Sites statewide:	72	
	Sites Users (Intake)	
# filling in Site Survey	14,104	75.52%
# African-American	7,325	52.75%
# Asian/Pacific Islander	169	1.22%
# Caucasian	4,645	33.45%
# Latino/Hispanic	795	5.73%
# Native American	98	0.71%
# Multi-racial	541	3.90%
# Other race	312	2.25%
# who did their taxes here	6,144	47.56%
# who did their taxes at another free place like this	1,606	12.43%
# who did their own tax preparation last year	842	6.52%
# who had family or friend file for free	854	6.61%
# who paid someone else last year and received instant refund	1,078	8.34%
# who paid someone else last year and did not received the instant refund	1,518	11.75%
# who did not file taxes last year	638	4.94%
# who never filed before	239	1.85%
# with bank account	10,368	85.68%
# without bank account and are interested	483	3.99%
# without bank account but not interested now	1,250	10.33%
# owning a home with a mortgage	3,560	27.74%
# owning a home without a mortgage	1,622	12.64%
# renting home or apartment	4,876	37.99%
# living with family	1,865	14.53%
# living with someone else	824	6.42%
# homeless	88	0.69%
# male	3951	29.63%
# female	7779	58.33%
# couple, filing jointly	1606	12.04%
# of households in which some member is considered to have a disability	984	6.98%

Sites Users (Tax Information)		
# filing returns	22,422	
# federal returns filed (electronic)	17,475	93.56%
# federal returns filed (paper)	1,185	6.34%
# state returns filed (electronic)	453	33.31%
# state returns filed (paper)	907	66.69%
# filed as Single	10,094	54.05%
# filed as Married - Joint	3,611	19.33%
# filed as Married - Separate	572	3.06%
# filed as Head of Household	4,387	23.49%
# filed as Qualifying Widow(er)	13	0.07%
Total Child & dependent care credit	\$211,988.00	
Total Child tax credit	\$5,479,420.00	
Total Earned Income tax credit	\$13,415,705.00	
Total Education credit	\$667,427.00	
# with positive tax amounts	10,363	55.49%
# claiming Child & dependent care credit	498	2.67%
# claiming Child tax credit	4,288	22.96%
# claiming Earned Income tax credit	7,890	36.22%
# claiming Education credit	844	4.52%
Median Adjusted gross income	\$17,293.50	
# with AGI > \$41,646	1,863	9.97%
# with 0 dependents	12,203	65.34%
# with 1 dependent	3,656	19.57%
# with 2 dependent	1,960	10.49%
# with 3+ dependent	858	4.59%
# claiming Unemployment compensation	2,015	10.79%
# reporting self-employment income	1,159	6.21%
Total federal refunds claimed	\$38,991,421.00	
Total state refunds claimed	\$134,410.00	
# with positive federal refund amounts	15,819	84.70%
# with positive state refund amounts	461	33.90%
# using direct deposit (federal tax)	10,159	64.22%
# depositing to 1 account	10,163	100.04%
# depositing to 2 accounts	8	0.08%
# depositing to 3 accounts	1	0.01%
# Savings Bonds (attempted)	0	0.00%
# <18 yrs old	134	0.72%
# 18-24	2,331	12.48%
# 25-34	3,132	16.77%
# 35-44	3,054	16.35%
# 45-54	4,100	21.95%
# 55+	5,848	31.31%
# 65+ (either taxpayer or spouse, or both)	2,761	14.78%

TAFI -- SURVEY RESPONSES

SURVEY QUESTION		Nashville		ALL TAFI	
1	# African-American	3,421	57.1%	7,337	54.3%
	# Asian/Pacific Islander	115	1.9%	169	1.3%
	# Caucasian	1,465	24.4%	4,650	34.4%
	# Latino/Hispanic	629	10.5%	796	5.9%
	# Native American	50	0.8%	98	0.7%
	# Multi-racial	62	1.0%	136	1.0%
	# Other race	253	4.2%	317	2.3%
	# rather not say	315		548	
2	# owning a home with a mortgage	1,607	27.9%	3,559	27.7%
	# owning a home without a mortgage	406	7.1%	1,622	12.6%
	# renting home or apartment	2,574	44.7%	4,876	38.0%
	# living with family	727	12.6%	1,865	14.5%
	# living with someone else	319	5.5%	681	5.3%
	# dorm or other group setting	82	1.4%	142	1.1%
	# homeless	39	0.7%	88	0.7%
	# rather not say	461		989	
3	# planning to use refund for food or clothing	1,281	25.1%	2,897	24.9%
	# planning to use refund to pay bills	3,334	65.3%	7,311	62.9%
	# planning to use refund for rent, home repair, mortgage	1,000	19.6%	2,185	18.8%
	# planning to use refund for doctor or other medical bills	693	13.6%	1,602	13.8%
	# planning to use refund for tuition or education expenses	518	10.1%	951	8.2%
	# planning to use refund for child care	196	3.8%	375	3.2%
	# planning to use refund to add to savings	1,280	25.1%	2,298	19.8%
	# planning to spend refund spend it on something else	190	3.7%	373	3.2%
	# planning to use refund for transportation; buy or repair a car	673	13.2%	1,456	12.5%
# rather not say	1,192		2,812		
4	# with less than high school or GED	524	9.5%	1,323	9.9%
	# with high school or GED	2,025	36.7%	4,840	36.1%
	# with some college or technical school	1,539	27.9%	4,543	33.9%
	# with two-year degree	397	7.2%	878	6.5%
	# with four-year degree	619	11.2%	1,081	8.1%
	# with some graduate school	136	2.5%	241	1.8%
	# with graduate degree	285	5.2%	514	3.8%
# rather not say	510		1,065		
5	# with both checking and savings accounts	2,303	41.8%	5,241	42.9%
	# with just checking account	2,215	40.2%	4,774	39.0%
	# with just savings account	201	3.6%	545	4.5%
	# without bank account and are interested	203	3.7%	485	4.0%
	# without bank account but not interested now	589	10.7%	1,182	9.7%
	# rather not say	644		1,418	
6	# who did their taxes here	2,616	45.3%	6,145	47.6%
	# who did their taxes at another free place like this	838	14.5%	1,606	12.4%
	# who did their own tax preparation last year	402	7.0%	842	6.5%
	# who had family or friend file for free	356	6.2%	854	6.6%
	# who paid someone else last year and received instant refund	490	8.5%	1,077	8.3%

	# who paid someone else last year and did not received the instant refund	649	11.2%	1,518	11.8%
	# who did not file taxes last year	307	5.3%	638	4.9%
	# who never filed before	118	2.0%	239	1.8%
	# <i>rather not say</i>	462		958	
7	# saying received TANF within last 12 months	361	6.2%	999	7.8%
	# saying did not receive TANF within last 12 months	5,474	93.8%	11,833	92.2%
	# <i>rather not say</i>	454		932	
8	# saying received Food Stamps within last 12 months	1,390	24.0%	3,523	27.2%
	# saying did not receive Food Stamps within last 12 months	4,404	76.0%	9,429	72.8%
	# <i>rather not say</i>	453		951	
9	# heard because came to site last year	2,529	43.0%	5,700	44.1%
	# heard radio/TV ad	598	10.2%	1,316	10.2%
	# heard flyer or something in paper	683	11.6%	1,429	11.0%
	# heard by walking by	175	3.0%	641	5.0%
	# heard from friend or family member	1,297	22.1%	2,811	21.7%
	# heard from someone else	643	10.9%	1,411	10.9%
	# not sure how heard	58	1.0%	153	1.2%
	# <i>rather not say</i>	410		910	
10	# male	1,837	30.9%	3,988	29.7%
	# female	3,549	59.6%	7,821	58.3%
	# couple, filing jointly	566	9.5%	1,606	12.0%
	# transgendered	1	0.0%	3	0.0%
	# <i>rather not say</i>	281		456	