



Free tax prep comes to 20 sites

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Baltimore, Md.—Not sure whether to use the 1040A tax form or the 1040 EZ tax form?



Tax preparation fees too expensive? Family made \$49,000 in 2009? The nonprofit, Baltimore CASH (Creating Assets, Saving and Hope) campaign, kicked-off the 2009 tax season of free community tax services sites for Baltimore low-income working families at the Greater Baltimore Urban League—one of the newest sites.

Operating 18 free community tax preparation sites throughout Baltimore City and two locations in Baltimore County, the Baltimore CASH Campaign wants to prepare at least 16,000 tax returns for free for eligible taxpayers.

Last year the organization provided 14,101 low-income taxpayers with free tax preparation assistance, enabling them to claim over \$25 million in Earned Income Tax Credits (EITC) refunds. In the past 9 years, over 51,000 people have received free tax preparation services, bringing over \$80 million back to low-income residents in Baltimore City. There is an estimated \$29 million of EITC benefits that go unclaimed by eligible City residents each year—the organization and its partners would like to place that money in the hands of the people who need it most.

Volunteer driven, Congressman John Sarbanes (MD-D) said this annual community collaboration “showcases the power of volunteers coming together.” The volunteer and staff tax preparers at the Baltimore CASH Campaign free tax preparation sites are all certified and regulated by the IRS, so taxpayers can rest assured that only highly trained people are helping them. Paid tax preparers—except for CPAs and tax attorneys—are not currently regulated.

Maryland Comptroller Peter Franchot—who was called a tax payer protector rather than a tax collector by Congressman Sarbanes—expressed his deep concern with the large dishonest tax preparers that take advantage of people’s desperation. He petitions those that qualify for the programs to use the free service and avoid the excessive fees and deceptive filings of unregulated tax preparers.

Low to middle-income working families who are eligible for federal and state Earned Income Tax Credits are targeted by the Baltimore CASH Campaign because these families are most often pursued by commercial tax preparers who sell high-priced refund anticipation loans, or “Rapid Refund” Loans; some often charge 500% interest and a large percentage of the refund. The Campaign’s nonprofit tax sites offer free electronic filing (e-filing) for faster returns and can help residents access other wealth-creating opportunities such as U.S. Savings Bonds, help in opening savings accounts, matched-savings accounts, and housing counseling. By e-filing tax returns, tax payers who direct deposit their refunds into a savings account can receive their Maryland refund in 1-3 days and federal refund in 7-10 days.

Due to the efforts of the Baltimore CASH Campaign and similar organizations across the United States, this year is the FIRST year that every taxpayer has the option to buy U.S. Savings Bonds with a portion (or all) of their refund – just by marking the box on an IRS tax form. Baltimore CASH Campaign free tax preparation sites can help people take advantage of this wealth building opportunity. Another new service Baltimore CASH Campaign offers this year is help filling out the FAFSA (Free Application for Federal Student Aid) student financial aid forms for college.

Congressman Elijah Cummings (MD-D) commended the program for making improvements and adjustments based on the needs of the community. He recalled how comprehensive the FAFSA was for him during his daughter's college admission process. Cummings said the forms are so complicated "people are almost afraid of these forms."

For more information visit www.baltimorecashcampaign.org or call 1-800-492-0618. A full list of sites is available on the Baltimore Times' website www.baltimoretimes-online.com.