



THE DENVER ASSET BUILDING COALITION

EMPLOYER PARTNERSHIP PROGRAM

The Problem:

Even with a steady job, many working families are struggling to make ends meet. They may be stuck in low-wage jobs due to their education status or past work history. In addition to having limited income, many of these families are not connected to the “financial mainstream.” Some don’t have bank accounts, others may be in debt or have bad credit, and many don’t own a home.

Earned Income Tax Credit (EITC)

The EITC is a powerful work incentive and antipoverty tool that has benefited millions of low-income families since its inception. For more than 250,000 Coloradans the EITC is one of the few income tax breaks available to those who work, but earn low wages. In 2006, the federal EITC issued was as high as \$4,536 for a single parent with two kids earning less than \$14,500 per year—equal to a 31% increase in family income. The average taxpayer refund is about \$1,200 and most families earning less than \$38,000 can take advantage of the credit. National estimates indicate that approximately 15% of eligible families do not claim the EITC. The DABC wants to change this.

Refund Anticipation Loans

Thousands of cash strapped Coloradans rush to paid tax preparers who promise tax and EITC refunds in a few days. What these people are really getting is a “refund anticipation loan”. Between the fee for the tax preparation (\$175 average) and the loan (\$130 average) hardworking taxpayers are losing dollars that could be spent on their families and in their communities. The standard turnaround time for a refund from the IRS is 7-10 days if the taxpayer has a bank account with which to direct deposit their refund. The DABC is working to make sure every low income family in Denver has access to free tax preparation and speedy tax refunds.

The Solution for Your Employees

The DABC wants to assist your low incomes employees (earning \$40,000 or less) with:

- Filing their returns for free
- Obtaining tax identification numbers
- Receiving the refunds and credits they are owed
- Preventing them from paying refund anticipation loans

By partnering with employers who have employees in the demographic we are serving, we can be most effective.

The Benefits for You the Employer

- **Employer sponsored benefit creates goodwill for employer**
- **Creation of employee bank accounts enables direct deposit of paychecks**
- **Financially secure employees have less stress in their lives and can be more productive**
- **Program has no cost for employer**



Questions

What is the Denver Asset Building Coalition?

The DABC is a Denver based non-profit organization whose mission is to provide free tax preparation, financial education, and financial services through accessible sites in Denver to help the underserved build for the future and become economically stable. For more information please visit www.denverabc.org

What service would you provide for my employees?

DABC volunteers would provide free tax preparation for your employee's Federal and Colorado state tax returns and assist the taxpayer with free electronic filing of their return.

How can I provide this service for my employees?

Simply contact us. We'll work with your needs to make sure we provide this service for all of your eligible employees. We'll provide you with marketing material, handouts, flyers and anything else we can do to make it happen.

Would you do this for every one of my employees?

No, your employees must meet the IRS' VITA program demographics. In most cases this means having an income of under \$40,000.

When would you provide these services?

The services would be provided between February and the end of the tax season (usually April 15th).

Where would you provide these services?

The services could be provided at your place of employment or at one of our tax sites in the Denver Metro area.

How does the DABC pay for this service if they do not charge?

The DABC relies on volunteers to provide our services. We ask for donations and grants from area partners and funders to provide items such as space, computers, operational expenses, and tax site supplies. The DABC also relies on the community we service to make financial donations to support our programs.

What qualifications do DABC tax preparers have?

The DABC is the largest free tax organization in the state of Colorado. All DABC volunteers are required to complete a basic tax law and *e-file* class. The DABC certifies volunteers tax law proficiency through a mandatory exam provided by the Internal Revenue Service. The DABC is proud of the quality of tax returns that are prepared at our free tax locations. In 2006, 98% of our tax returns were deemed mathematically correct. This is over 4% higher than the average paid preparer.

DABC Statistics

2006 Federal Returns:	2,504
2006 Federal Refunds:	\$3,116,084
Value of Federal EITC:	\$1,274,910

Contact Information

For more information regarding this service please contact Jennifer Oftellie at 303-388-7030 or Volunteer@DenverABC.org.