

CAAB's newsletter is designed to ensure that our IDA/MDA Savers are fully informed about relevant money management topics, effective savings strategies, financial education opportunities in the DC area, and upcoming CAAB events. Every month we will either feature a different article focusing on strategies or products that can help you plan for and achieve your savings goals, or we will share the story of a fellow saver.

How to Claim and Keep the Money You've Earned

By the DC EITC Campaign

Did you know that taxpayers leave billions of dollars in tax benefits unclaimed? Could you or someone you know be missing out on a valuable income tax refund that can help you cover critical expenses during these tough economic times? Some taxpayers simply don't file a tax return, and others who do file make mistakes and don't claim all the money that they are owed.

Free tax assistance is available for income-eligible workers at convenient locations throughout the DC metro area. You can avoid costly tax preparation fees and take advantage of fast, free electronic tax filing, from January 30 through April 15, 2010.

How can filing my taxes help me?

The tax code is filled with provisions that exclude certain types of income and activities from taxation, which essentially means a bigger paycheck for you. For example, the Earned Income Tax Credit (EITC) rewards work by giving low-wage workers refunds based on their annual income and household size. In 2007, the average EITC was \$2,488 for a family with children and \$243 for a family without children. Approximately 50,000 DC residents claim the federal EITC each year, channeling more than \$90 million in federal funds into the local community.

Additionally, roughly 46,300 of these taxpayers claim another \$30 million through local EITC

refunds. Yet many who qualify for the EITC don't claim it—either because they don't know about it or don't file their tax returns—potentially losing out on thousands of dollars that they may be owed. Even if you do not qualify for the EITC, you might still be eligible for a refund if you qualify for other credits or deductions, or because you had too much money taken out of your paychecks during the year. Many people who aren't required to file *should file* to get a refund. The only way to know for sure if you are one of these people is to complete your tax forms.

Where can I get free tax help?

The DC Earned Income Tax Credit (DC EITC) Campaign operates sites throughout the metro area that offer free tax preparation and e-filing services. Individuals with incomes below \$22,000 and households with total incomes below \$42,000 can get free help completing and filing their tax forms at five locations around the District. Tax forms are prepared quickly and are filed electronically to ensure a quick turnaround time on refunds. Most tax sites are open from January 30 through April 15. A list of free tax site locations with hours of operation is available at www.dceitc.org or 1-877-SAVE-515.

What's the catch? How do you offer this great service for free?

The Campaign receives financial support from the District of Columbia government and several private foundations; operational support is provided by dozens of community partners and more than 500 volunteers who certified by the IRS annually to provide this service to the public. Our tax

experienced tax professionals, and every return is reviewed for accuracy. If a taxpayer has a complicated return or a dispute with the IRS that needs to be resolved, we can connect them with other resources in the community. And, in addition to providing free tax services, we also connect filers to other valuable services, like free financial education classes, one-on-one budget and credit counseling, and special savings products and programs.

If you or someone you know is interested in volunteering with the Campaign to provide this valuable public service, learn more and sign up today at <http://www.dceitc.org>.

What do I need to bring to the tax site?

It's important that you bring complete documentation to the tax site. This includes a Social Security card for yourself and anyone else who is listed as a taxpayer or dependent on your return; a list of birth dates for everyone listed on the return; all W2s and official taxpayer documents that you received in the mail; and any receipts or other records to verify charitable contributions or expenses that qualify you for tax credits or deductions. Additionally, bring your checkbook or your bank routing number and account numbers to ensure a fast and secure refund.

I usually file the first week of January so I can get my refund fast. Why should I wait?

If you have all of your income documents for 2009 and have service that you trust, there is no disadvantage to filing your returns with them, other than the additional cost. But no matter how you

CONGRATULATIONS!

The following savers made asset purchases in the past month

Business

Catherine Daily
Tosha Link
Viviana Oxljaj

Education

Fatimata Bangura
Tarawallie
Jalisa Banks
Brittany Beatty
Jennifer Coleman
Barbara Deale
Aleisha Green
JaWanna Henry
Kenneth Horne
Raymond James
Mychelle Jones
Mikea Legion
Miles Lewis
Tory Myles
Chasity Sandidge
Brazil Williams

Home

Lewis Callaway
Keona Davis
Sariane Leigh
Richard Miles
Nettina Wren

file your returns, be sure to steer clear of Refund Anticipation Loans, or RALs, which are a pricey and risky way to get money quickly. If the refund doesn't come through as expected, then the taxpayer must repay the difference, plus the hefty annual interest rate, which can range from about 50% to nearly 500%. Don't get caught in this trap! Filing your taxes electronically and using direct deposit can get your refund back to you within 7-10 days of filing—and you will also avoid extra check-cashing fees by direct depositing your refund.



Upcoming Events, Announcements, and Resources

Are You an Existing or Aspiring Small Business Owner?

Meet 1-on-1 with a lawyer for FREE at the Small Business Brief Advice Legal Clinic sponsored by the Development Corporation of Columbia Heights and the D.C. Bar Pro Bono Program. Any questions regarding legal matters related to running a small business are welcome.

**Tuesday
January 26
5:00-7:30p.m.**

Columbia Heights Community Center
1480 Girard St NW DC

This is a walk-in clinic, no appointment needed.
For more information call Lauren Paley at [202-737-4700](tel:202-737-4700) x 3357.

Get Your Ducks in a Row!

Looking for ways to increase your savings? WISER's retirement income worksheet, called Get Your Ducks in a Row, will help you organize your sources of retirement income. For this tool and other financial planning resources, visit WISER's website at www.wisewomen.org.

Looking for a job?

Attend the United Planning Organization's (UPO) Employment & Career Development Division (ECDD) first Job Fair of 2010.

**Tuesday
January 12
10:00a.m.-3:00p.m.**

Petey Green Community Center
2907 Martin Luther King Jr Ave SE DC

Free parking available.
For more information James Herring, Job Developer in the Employment & Career Development Division, at jherring@upo.org or [202- 231-7942](tel:202-231-7942).

Social Security Webinar Series

Offered by Abrahamian & Brock of Ameriprise Financial

Monday, January 11 at 12:00p.m.
OR
Friday, January 15 at 9:00a.m.
OR
Tuesday, January 19 at 7:00p.m.

During this webinar Diana Varela, Public Affairs Specialist from the Social Security Administration, will cover:

- Retirement and Medicare Benefits
- Disability Benefits
- Survivors and Family Benefits
- Other Benefits
- Online Services

For more information and to register, visit www.dcsaves.org.

Sign-up today for Money Management 101

It's not too late! Complete your 8 hours of required financial education training and sign up for CAAB's free 5-week course today:

Tuesdays, from January 5-February 2, from 6:30-8:30pm (*Latino Economic Development Corporation, 2316 18th Street NW*)
OR

Saturdays from January 9- February 6, from 10:00am-12:00pm (*CAAB, 1801 K St NW Suite M100, Metro Stops Farragut West (Orange/Blue) and Farragut North (Red)*)

To register call [202-419-1443](tel:202-419-1443) or email seminars@caab.org

You Can Change Lives, One Return at a Time

**Volunteer as a Savings Promoter with the
DC Earned Income Tax Credit Campaign!**

Our success depends on volunteers like you!

We are looking for enthusiastic individuals to volunteer as Savings Promoters at our free tax sites. Savings Promoters are the first volunteers to interact with clients, educating them about savings products and free financial resources.

As an IDA/MDA saver, you already know about the benefits of financial education and the importance of saving. Use your experience and knowledge to make a difference in someone's life—sign up to volunteer today!

In order to volunteer you must attend 4 hours of interactive training to enable you to help clients save their refunds, enroll in Money Management classes and credit counseling, and buy savings bonds. Volunteer for 3-4 hours a week from January 30 through mid April at one of 5 sites in DC. Most sites are open on evenings and/or weekends.

Register to volunteer: <http://dceitc.org/volunteer.html>

For more information, visit our website: www.dceitc.org.
Questions? Contact Adam Perry, DC EITC Campaign Volunteer Coordinator at volunteer@dceitc.org or [202-419-1442](tel:202-419-1442).



Capital Area Asset Builders
1801 K St NW
Suite M100
Washington, DC 20006
(202) 419-1440
www.caab.org