



Contact:

Joe Diamond,
Executive Director, MASSCAP
617.357.6086 or joediamond@masscap.org

Lisa Clay
Director of Communications/Member Services, MASSCAP
617.357.6086 or lisaclay@masscap.org

MASSCAP and Community Action Agencies Launch Annual Volunteer Free Tax Preparation Program that Aids Low Income Families

· *Earned Income Tax Awareness Day* ·

Boston, Mass. (January 29, 2021) – Today the Massachusetts Association for Community Action (MASSCAP) along with the 23 Community Action Agencies in the state were joined by Congressman Richard Neal, and Senator Jo Comerford, Representative Natalie Blais among others in kicking off this year’s tax season by launching the annual Volunteer Income Tax Assistance program (VITA) as well as recognizing the importance of accessing the Earned Income Tax Credit (EITC).

VITA is administered by Community Action Agencies (CAAs) annually and helps thousands of wage earners access millions of dollars in tax refunds, including the Earned Income Tax Credit (EITC). In Massachusetts, CAAs help more than 18,000 low-income taxpayers benefit from more than \$33 million in tax refunds.

“Perhaps more than any other year in recent memory, helping low-income workers access the EITC – one of our most powerful tools to address poverty – is so critical. So many have lost income and are counting on the resources VITA sites can help them with through free tax preparation. Our goal for today, as we are joined on this Zoom by friends and allies from across the state, is to raise awareness about the ready availability of free tax preparation at VITA sites,” pointed out Joe Diamond, MASSCAP Executive Director.

There are approximately 80 VITA sites operating across the state, run by Community Action Agencies and other community-based organizations and colleges. Together they serve more than 30,000 low-income taxpayers, helping them to access over \$60 million in tax refunds. VITA sites are supported in part by state resources added to the state budget. Together with an allocation from the IRS, VITA sites receive public resources that cover about 1/3 of their operating costs.

“The IRS has been a core source of support since the program started in Massachusetts fifteen years ago. We are grateful for the funding provided and for the partnership and technical support we receive from the IRS. We are also grateful to the state legislature and the governor for investing in VITA sites over the past two years,” said Diamond.

“State support for VITA has always been crucial but never more important than now” said Representative Natalie Blais. “In the midst of the global COVID-19 pandemic, volunteers are not only providing Massachusetts residents with tax preparation assistance but also with connections to much-needed services and support.”

The 2021 MASSCAP VITA program kickoff virtually on Zoom this morning and is available on MASSCAP's webpage and YouTube channel. The MASSCAP VITA program supports 21 Community Action Agencies' VITA sites. At these VITA sites, volunteers not only provide free tax prep and access to the Earned Income Tax Credit (EITC) and other tax credits to low-income taxpayers allowing them to pay bills, cover essential needs such as rent, save, and plan for the future, but also link them to other critical services strengthening families and the local economy. This year, VITA sites will also be helping people, both taxpayers and those who have not filed in the past, access the recovery rebate credit.

The volunteers are the heart and soul of the VITA program. They are IRS Certified experts who volunteer their time to help to ensure timely, accurate returns as well as full access to tax credits and savings programs.

As Senator Jo Comerford told us, "VITA is a triple win. It is a win for workers and families returning these hard-earned dollars where they are needed most. It is a win for local and regional economies, and it is a win for the state as it's a massive return on investment."

The Earned Income Tax Credit has been called one of the most successful antipoverty programs. It bridges the wage gap – since the late 1970's wages have not kept up with productivity and many working people have trouble meeting their basic needs. The EITC, along with other tax credits, has been shown to improve infant health outcomes, employment rates of single mothers, child educational achievement, and future earnings. January 29 is also national Earned Income Tax Awareness Day.

Congressman Richard Neal, who is a leading champion on the Earned Income Tax Credit and its power to bridge the wage gap and fight poverty, told us "VITA is an invaluable program that does immeasurable good for people who need it. Your work this season will ease families' financial burdens and remind them that they are part of a community that sincerely cares about them."

The 23 Community Action Agencies across Massachusetts offer a wide range of services including Early Education and Care including Head Start, Fuel Assistance, housing programs and financial education. This integrated approach is very powerful and is a fundamental part of how CAAs help people stabilize their lives and move onto economic mobility.

"Community Action Agencies throughout the Commonwealth and beyond have developed innovative services to help meet our clients' needs," said Birgitta Damon, MASSCAP President and Executive Director, Lynn Economic Opportunity (LEO). "The volunteer tax assistance program is just one way that we help individuals overcome the structural barriers that exist to move people out of poverty."

For more information on VITA, please visit www.masscap.org/freetaxprep.

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