

Colorado Asset Growth Project

A Program of the Colorado Community Action Association

VITA Site Direct Assistance Results for Tax Year 2006

The Colorado Asset Growth Project assisted thirteen (13) Colorado rural counties with direct assistance. The outcomes are given in *Chart 1* and *Chart 2*:

Chart of EITC increase in 13 Colorado counties

County	EITC		Difference
	2005	2006	
Durango	158	273	115
Alamosa	95	195	100
Chafee	0	170	170
Bent	0	24	24
Pueblo	170	155	-15
Morgan	23	48	25
El Paso	133	192	59
Larimer	1651	1946	295
Garfield	9	18	9
CO East*	11	103	92
			874

Total Increase in EITC filings

*Four county area

\$2,272,400

Estimated EITC
Refund Increase

Chart 1

Chart of CTC increase in 13 Colorado counties

County	CTC		Difference
	2005	2006	
Durango	6	8	2
Alamosa	2	7	5
Chafee	0	9	9
Bent	0	1	1
Pueblo	27	23	-4
Morgan	8	19	11
El Paso	27	23	-4
Larimer	815	961	146
Garfield	15	33	18
CO East*	15	20	5
			189

Total Increase in CTC filings

*Four county area

\$116,235

Estimated CTC
Refund Increase

Chart 2

**Total Estimated Increase in
Participating VITA Site Tax Credits: \$2,388,635**

The amount of the EITC/CTC filing increase and tax credit increase was quite remarkable for the dollar amount provided in direct support of our rural VITA sites. Including management time, a good estimate for that piece of our CRAG project expense was under \$20,000. Having that amount generate an estimated \$2,388,635 in increased tax credits at the participating VITA sites and the subsequent distribution to low-income families shows an excellent return on investment. Considering that a majority of those refunds were spent within the communities where the families reside, it can be assumed that it helped sustain those communities.

From their final reports, here are samples of how direct support recipients responded to the following question:

What were your accomplishments and successes in fulfilling your VITA/EITC Expansion Plan?

- We were excited this year because we able to offer our services to 228 clients. This is an increase of 101 clients served. We also were able to attract 2 new volunteers to the program this year and that is really gratifying. Both have committed to continuing their service next year. One of the best parts of our program is that we have dedicated and committed volunteers who return to service year after year.
- Colorado East Community Action Agency (CECAA) expanded our program from just Kit Carson County, in Stratton, to serving all of Kit Carson, Lincoln, Cheyenne, and Elbert Counties. By expanded our VITA services into these four counties we now cover a 10,138 square mile area in Colorado. We advertised in 8 newspapers that were circulated in the 4 county area, but we also generated business from El Paso County because Elbert County newspapers are circulated there also. We also took four employees to the day long VITA Training in Limon Colorado. So four employees, instead of three were VITA volunteers.
- The community meetings (*organized and facilitated by CRAG Director & Irs SPEC representative*) did help inform providers about VITA/EITC. Many of the agencies serving low-income families were then able to inform their clients about this resource. Agencies who did attend meetings were appreciative and enthusiastic about networking with one another. This seems to be the most promising aspect the meetings.

Most of the direct support was for simple things, such as mileage, site supplies and advertising. Small amounts were used for volunteer recognition, but were shown to be greatly appreciated, hopefully generating an improvement in volunteer retention for the coming year. VITA sites are volunteer time intensive and any effort to recognize their work is felt to have positive results; especially in small rural communities, where volunteer hours are in great demand with limited volunteer resources.

By supporting the existing VITA structure within a rural community, it allows them to look at expansion into underserved areas within their communities. Several of those receiving direct support last year, in their "Final Reports" indicated plans for expansion in the coming tax year.