



All Things Ignatian



Low Income Taxpayer Clinics Volunteer Income Tax Preparation

The Situation –

- Low income taxpayers are entitled to an earned income tax credit (EITC, which is a refundable, negative income tax) of up to \$6,014 for 2013 tax returns
- Low income taxpayers have limited resources to pay for return preparation
- Some paid tax return preparers have provided short term (30 – 45 days) loans and prepaid debit cards using the EITC refunds as collateral
- Some of these loans result in interest rates over 100%
- The Winnebago and Macy, NE communities are especially vulnerable to these exorbitant loans
- Budget constraints on the IRS have forced the closing of its free walk-in clinic at 16th & Capitol – in 2013 over 2,000 people used this service



Volunteers interviewing clients in Winnebago

The Response –

- The IRS VITA (Volunteer Income Tax Assistance) program coordinates free tax return preparation for low income taxpayers by volunteer preparers
- Volunteers pass several examinations and undergo training before they assist clients
- Creighton's Accounting Department has partnered with VITA for over 40 years
- Creighton accounting and law students, and alumni from accounting and law, have sponsored tax preparation clinics in Winnebago, NE the last 4 years
- Accounting students are required to participate in VITA as a course service learning component

- Partnerships were created with the IRS, local community organizations, the Heider College of Business, the Department of Accounting, Beta Alpha Psi, the Law School, and the Business Law Society

Recent Results at Clinics –

- Clinics were held in Winnebago starting in 2010, and are scheduled for 2014 in both Winnebago and Macy
- In 2013, clinics were held on campus for students and staff and for guests at Project Homeless Connect Omaha
- In 2010, 25 volunteers served over 40 clients by preparing returns with refunds exceeding \$150,000

- In 2011 and 2012, over 75 clients were served by over 30 volunteers and refunds exceeding \$250,000 were generated
- In 2013, over 100 clients were served by over 50 volunteers and refunds exceeding \$500,000 were generated

2014 Clinics –

- Two clinics are scheduled in Winnebago and Macy – February 8 and 15
- To meet the needs of the Omaha community in response to the closing of the IRS walk-in site, three clinics are scheduled in the Harper Building – February 1 and 22 and March 2
- One additional clinic will be offered at Project Homeless Connect Omaha on March 28

Ignatian Elements –

- Low income clients receive a valuable service at no cost
- Volunteers share their talents with low income people
- Students learn a different application of the charism of *cura personalis* and being for and with others

The Spirit of Creighton –

- *Collaborative bridges* across academic units and with community groups
- Reinforcing *resilience* in attitude in the low-income clients served
- *Generous* sharing of professional knowledge for the betterment of society
- *Healing* the wounds of economic challenges



Volunteers assisting clients with tax returns in Winnebago

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