



Williamson County Financial Stability Coalition

Coalition members:

- United Way of Williamson County
 - Literacy Council of Williamson County
 - Williamson Burnet County Opportunities
 - AARP Tax-Aide of Williamson County
 - IRS
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Continued Plan for Expansion of Free Tax Preparation Services

Background Information

The Williamson County Financial Stability Coalition (The Coalition) is a unique gathering of dedicated staff and volunteers who, over the past two years, have collaborated to strategically help low-income and/or elderly residents become more financially stable.

The Coalition's long-term goal is to improve the economic means of lower income and/or elderly residents within Williamson County. The Coalition's first step towards this goal was to expand the availability of free income tax preparation services across the County. The AARP partners increased their hours of operation in three locations and The Coalition opened two new VITA sites that were strategically located to reach the residents in the more rural areas of the County. This first step in The Coalition's strategy allowed the low-income and elderly residents the potential to realize a larger amount of earned income tax credits, child tax credits and education credits - as well as not having the expense of paying for a tax preparer - thereby increasing their income and improving their standard of living.

Results from 2010-2011

Last year – the first year of The Coalition's work - the number of individuals and or families receiving free tax preparation in Williamson County increased from 1,569 to 2,121 – a 35% increase! Additionally the total dollars these individuals and families received in refunds increased by 36% - from \$2,515,500 to \$3,423,609. Also of note is that more than \$400,000 was saved by these families because they did not have to pay to have their taxes completed.

Description of Need

Williamson County is home to 500,000 people. According to the U.S. Census Bureau close to twenty percent of these residents live below the poverty level. Additionally, information from the IRS indicates that more than 10,000 low-income taxpayers in the County utilized a paid tax preparer service. The Coalition and its volunteers are working

to reach these residents. By receiving free assistance from The Coalition's IRS-certified tax return counselors we can help them save on the cost of tax return preparation while obtaining all their eligible credits, thereby improving their economic situation.

According to recent data from the Corporation for Enterprise Development (CFED), 50% of the families in Texas with an annual income below \$50,000 are considered "asset poor". According to CFED a household is asset poor if it has insufficient net worth to support itself at the federal poverty level for three months in the absence of income. Asset poor households would not have enough savings or wealth to provide for basic needs during a sudden job loss or a medical emergency. Since this is the same audience that receives assistance in our free tax centers, The Coalition is planning to provide a one-day Financial Fitness Festival that will give these individuals and families some of the tools necessary to move them closer to financial stability.

Expansion Plans

First and foremost, The Coalition will once again have the increased volunteer hours at the five AARP Tax-Aide sites as well as the operations at the same two VITA Site locations as last tax year. The Coalition's 2011-2012 Expansion Plan has two components:

1. Add one more VITA site.
2. Hold a Financial Fitness Festival in early March 2012.

With the addition of the third VITA site, and the planned increase in marketing and outreach to the client base, The Coalition is planning for a 50% increase in individuals and families utilizing the free tax centers. This translates to an additional 1,000 people that will receive free tax preparation services in Williamson County.

The Financial Fitness Festival will be a one-day event focused on helping the Williamson County residents become more financially literate. This event will be a non-traditional way of providing adults with basic financial information whereby they can gain the financial literacy skills they need to become more financially savvy. The event will be free to the entire family and will include money management workshops, exhibitors, food, kids' activities and more. This event is expected to attract 300-500 attendees.

Of Special Note:

Because of The Coalition's success at bringing together a unique partnership between United Way of Williamson County, AARP Tax-Aide of Williamson County, IRS SPEC, WBC Opportunities and the Literacy Council of Central Texas, members were invited to a private meeting with Rick Byrd, Commissioner of the Wage & Investment Division of the IRS during a recent visit to Austin. Commissioner Byrd congratulated The Coalition on their work and commented on how unusual it is to see such a diverse group of organizations working together to expand and provide free tax preparation centers. The Coalition has offered their assistance to Commissioner Byrd in helping other groups bring together similar collaborations across the US.