

## Free tax service gets credit: State program helps lower wage earners

*By Gwen Guerke, Milford Chronicle*

MILFORD - The line at the free tax preparation site was not as long as usual on a chilly Thursday night.

While four residents consulted with volunteer tax preparers, only three more people waited their turn.

Site supervisor Mike Duckworth said some nights, more than 20 people at a time sat in metal folding chairs outside a converted Sunday school classroom at Reformation Lutheran Church.



Matthew Pfaffenhauser, 20, of Milford, talks with volunteer tax preparer Leslie Maines at the Reformation Lutheran Church in Milford, one of the state's free tax preparation sites. Milford Chronicle/Gwen Guerke

Melissa Haughey, 21, Milford, who waited her turn said she was familiar with the protocol because this is where she had her income taxes prepared last year.

She had her tax information in hand.

An assistant manager at Burger King, Ms. Haughey said she was pleased with the service and was hoping for a tax refund.

"They explain everything. They were very nice, kind and polite. Good people and a good service," she said.

Matthew Pfaffenhauser, 20, of Milford, was also a return client.

"I got a refund, not a big one, but I'm hoping for one. They help with the paperwork if you need it, and it's free," he said.

Mr. Pfaffenhauser is a business management student who also works at UPS.

Since he has no children, he won't qualify for the federal Earned Income Tax Credit, as many of the clients do, but he's still eligible for the service, as is anyone earning less than \$40,000 a year.

Mr. Duckworth, a Rehoboth Beach resident, an accountant by profession, volunteered his skills to help with tax preparation for several years before becoming the paid site supervisor.

The site, managed by the Wilmington-based nonprofit agency, Nehemiah Gateway Community Development Corp., has been advertised and championed by the state treasurer's office.

The program assists low-income wage earners in getting tax credits for child-care and educational expenses.

Last year's campaign generated \$322,659 in tax refunds for 226 residents from the Milford area who participated in this year's effort. The refunds include \$151,062 received by low-wage taxpayers who claimed the Earned Income Tax Credit on their 2005 federal returns.

Statewide, the fifth annual EITC campaign promoted by the Treasurer's Office generated \$13 million for 10,500 working Delawareans, a major increase over the previous year.

"Clearly there are thousands of Delawareans entitled to money that is theirs. It is a win-win situation," said state treasurer Jack Markell.

The program, advertised on McDonald's tray liners, in grocery bags, at churches and workplaces, encourages smart financial behavior, according to Mr. Markell.

"There are still thousands of people we're not reaching. We're telling employers to let people know about it. It doesn't cost employers anything," he said.

Volunteers, who are trained specifically for the service, also encourage clients to invest their refunds in savings accounts or in certificates of deposits.

If a client opts to open a savings account, an account can be established at the tax preparation sites set up in all three counties.

Usually volunteers consult with 20 to 25 people a night.

Tax season is winding down, so April 11 is the last day volunteers will be available at the Milford location.

"The trend is that people who get a refund come in first, and people who come in at the end. I always thought it should be the other way around," said Mr. Duckworth.

"The income limit is \$40,000, but I rarely see anyone even close to that. Mostly we see single parents," he added.

Many of those people aren't aware they qualify for the benefits of the Earned Income Tax Credit.

"It was started by (the late) President (Ronald) Reagan for single parents. People are usually surprised they are getting that much back," he said.

While volunteers inform clients of savings opportunities, many decide not to use that option.

"We explain what's available. The account is set up through WSFS, and there is no WSFS in Milford. The response hasn't been what we hoped for," Mr. Duckworth said.

"Most of them are more concerned with day-to-day living," he added.

Mr. Duckworth said he finds the work very rewarding.

"I have been doing taxes for 14 years, and I wanted to give something back. This is genuine help we give people. It makes it worthwhile. There is a lot of work involved. We are very thorough here," he said.

Clients leave with copies of their tax returns, their records and a complete verbal explanation of the process.

Most of the returns are filed electronically, except when a client requests for a mailed return.

"We perform a service for folks who can't afford it," added Mr. Duckworth.

Gwen Guerke can be reached at [tell2gwe@aol.com](mailto:tell2gwe@aol.com) or 422-1200.