

State EITC program generates millions for low-income families

Delaware State Treasurer Jack Markell - joined with Delaware State Sen. Margaret Rose Henry, D-Wilmington East, and Mary Dupont, executive director of Wilmington's Nehemiah Gateway Community Development Corp. - to announce the fifth annual earned income tax credit (EITC) campaign generated \$2,225,578 in tax refunds for 1,615 participants from Sussex County who participated in this year's effort. The refunds include \$1,036,218 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 last year.

"I'm delighted to announce that the 2005 EITC campaign has put more than \$13 million back where it belongs - into the pockets of working Delawareans," Markell said. "This federal tax credit is widely regarded as our nation's most effective program at lifting working families out of poverty. The net effect is that if a worker makes \$7 per hour and claims the full credit, it essentially increases their hourly wage to \$9, and that increase can and does make a real difference in people's lives."

The EITC campaign, which is coordinated by Wilmington-based Nehemiah Gateway Community Development Corp., is supported by a wide coalition of community, business and faith-based organizations. It promotes work by increasing the incomes of low-wage workers through a refundable tax credit. The EITC is available to families with incomes below \$40,000 and to single, childless workers making less than \$12,000. The refundable credit can total up to about \$4,400 annually, depending on income and the number of children in the family.

More than 300 volunteers at 23 locations across Delaware volunteered long hours to prepare the taxes and to link those eligible to other services such as financial education, access to low-cost loans for automobiles, matched savings accounts and many other services.

"Our volunteer preparers were consistently amazing. They were there each week working hard to make sure that those coming to

have their taxes prepared received every benefit they were eligible for," Dupont said. "We couldn't have done it without the dedication of our talented volunteers. All of this is only possible because of them and their commitment to their fellow citizens."

"We are really committed to helping working families and that's why we believe so strongly in the EITC campaign," said

Henry, a longtime advocate of a state version of the EITC. "Personally I can't wait for next tax season when Delaware taxpayers will be able to take advantage of the new state EITC that was signed into law in 2005."



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The state EITC creates a credit equaling 20 percent of the federal EITC. Officials project that 14,000 low-income Delaware taxpayers will no longer pay state income taxes and another 14,000 will pay less in taxes. Delaware was the only state to establish an EITC in 2005.

To learn more about the EITC or to become a volunteer for next tax season's campaign, call the Nehemiah Gateway Community Development Corp. at 302-655-0803.

CROWLEY ASSOC RE

Rehoboth Beach - Bethany B
302-227-6131 • 800 242-4213



Briefly

Markell announces 2007 income tax campaign meeting

State Treasurer Jack Markell will join with community and business leaders to launch the 2007 Delaware Earned Income Tax Credit (EITC) campaign and announce the grand opening of 19 free tax preparation sites throughout the state. Several new services for this year's EITC campaign will also be unveiled.

The meeting will be at 3 p.m., Wednesday, Jan. 10, in the Student Services Center at Delaware Technical & Community College in Georgetown.

The earned income tax credit benefits families who earn less than \$38,000 per year. The tax refund can be up to \$4,500 per year, depending on family size and income.

The State Treasurer's Office joins with **Nehemiah Gateway** Community Development Corp. each year to put on the program. **Nehemiah Gateway** coordinates efforts among organizations from the public, private, faith-based and nonprofit sectors to promote awareness, offer free income tax preparation and link customers to information and services that increase economic self-sufficiency.

The IRS estimates that 20 percent of eligible taxpayers do not claim the credit. Last year's campaign in 2006 returned more than \$13 million to more than 10,500 working Delawareans.

For more information, call 302-672-6704.