

BUSINESS & REAL ESTATE

Nehemiah needs help for working families

Tax preparers help to those who qualify

By Karl Chalabala

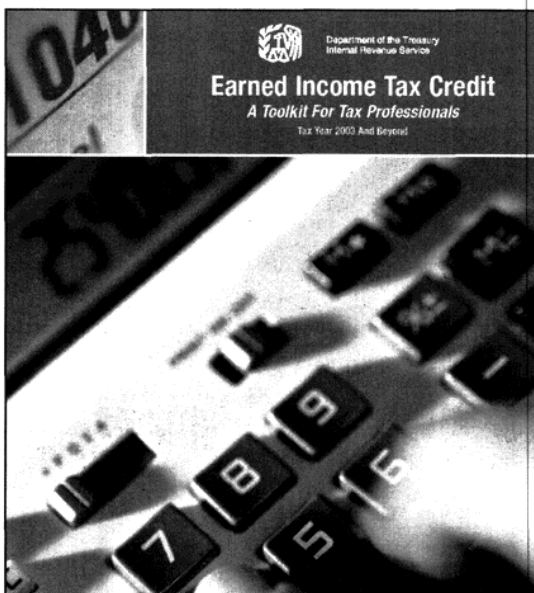
In an attempt to reduce the economic burden of tax season on working families, the Nehemiah Gateway Community Development Corp. is seeking volunteer tax preparers for the 2005 tax season.

Nehemiah offers free tax preparation throughout Delaware to qualified families, in addition to an array of other financial counseling and services.

"What we are actually providing here is free tax preparation," said Nehemiah Executive Director Mary Dupont. "We help people get their tax refunds. Our concern is the market we are targeting ends up paying a lot of money in tax-preparation costs at companies like H & R Block and Jackson and Hewitt. These companies also aggressively market rapid refunds to them, which is a loan. I like to call it a rapid rip-off."

Dupont said Nehemiah electronically files taxes, which gets a return in a maximum of 14 days. She said a rapid refund will get a return about five days earlier but with a cost. The low-income families Nehemiah tries to help take the rapid refund because they often live paycheck to paycheck.

"You might walk out with \$250 in fees and interest rate costs,"



IRS photo
Nehemiah Gateway Community Development Corp. is seeking volunteers to help low-income families prepare their taxes and better manage their finances.

Dupont said. "If you are making \$18,000 a year, you shouldn't be giving up \$250."

To save families as much money as possible, Nehemiah needs volunteer tax preparers. After a free eight-hour training session by the Internal Revenue Service

(IRS), the volunteer tax preparers would work three hours a week from mid-January to mid-April. No experience is needed, and there is no liability to the volunteers. A supervising tax professional is on-site at all times.

Dupont said the volunteers

make a significant difference in people's lives.

"A typical volunteer can save hard-working families an average of \$1,700," she said. "We hope this money can be used in a very positive way. We offer free money management classes to the people who came to have their taxes done. We want them to take all this money and put it toward asset building for future investment that will have some impact on the long-term quality of live of that family."

In addition to the money counseling, Nehemiah will offer free savings account through PNC Bank to the low-income families.

"PNC has agreed to waive the background check that comes with opening a new account," Dupont said. "It's a chance for someone who had credit problems in the past. A lot of people go to check cashing places. If that becomes a habit, it becomes expensive. It can add up to 3 to 4 percent of someone's income."

Nehemiah will also work with immigrant workers to do their taxes.

"The IRS does not share information with the INS [U.S. Citizenship and Immigration Services]," Dupont said. "The IRS offers ITINs [individual tax identification numbers]. They allow immigrants to pay taxes, which makes for a very strong case if they decide to apply for citizen-

ship."

Anyone interested in helping Nehemiah is invited to contact Stephen Tolbert at 947-2726 or email VITA_Kent_Sussex@mchsi.com.

IRS accepting applications for tax enforcement staff

The Internal Revenue Service (IRS) is accepting applications for hundreds of new jobs as part of a nationwide multiphase hiring program taking place over the next several months. The agency expects to hire approximately 500 tax enforcement personnel in 70 cities across the country in January 2005.

The IRS is seeking qualified candidates to become revenue agents, revenue officers and tax compliance officers who are responsible for enforcing America's tax laws. Beginning salaries vary by location but typically start at \$33,071 to \$58,903 per year. A combination of experience and education will be considered when determining pay rate and employment eligibility.

"Whether you are starting a career or you are a seasoned tax professional, the reasons to bring your career to the IRS keep adding up," said IRS spokesman Gregg Semanick. "Here you can

Continued on page 34

Investing in success: creating a marketing budget

For some businesses, a marketing budget is an afterthought, an extra they might spring for if there's money remaining after meeting their fixed-budget needs. Others view marketing as damage control to be used only in an emergency.

And then there are those businesses that constantly question the need to spend money on marketing altogether.

Wise business people know none of these attitudes is likely to result in marketing success.

So how do you establish a marketing budget?

Let's take it one step at a time. Before we continue, ask yourself this question: "Do I view marketing as nothing more than a pesky line item in the budget?"

If you answered "yes," you need an attitude adjustment. Nothing personal, but you need to understand that marketing is an investment in the success of your business.

If you spend lavishly on marketing are you guaranteed success? No, but with very few exceptions, it's probably safe to ex-



that without appropriating money to your marketing effort, your chances for growth and success are limited at best.

OK, so how do you establish a marketing budget?

There are a variety of conventional formulas used to build marketing budgets.

Some are based on a percentage of sales revenues; others focus on customer acquisition costs or cost per sale.

Each of these methods will pro-

marketing budget based on past sales. Eventually they all lead to the same formula: If you have X number of dollars to spend on marketing, what marketing can you afford?

Let's take a different, and I would argue, more strategic approach to creating a marketing budget. Forget the traditional methods.

Forget anything that's based on sales revenues. In an earlier article I talked about the importance of gathering knowledge about your customers. Well, it's time to put that knowledge to work for you.

To create a strategic marketing budget start by asking yourself these simple questions: 1. Whom do I need to reach? 2. How often do I have to reach them? 3. What marketing mix will allow me to have an impact? 4. How much will that cost?

If you can allocate the funds you identified in your answer to No. 4, that's your marketing budget. For example, let's say you want to reach all women

between the ages of 20 and 35. You determine that a marketing mix - more on how to develop an effective marketing mix in a future column - with the biggest bang for your audience will include a series of print ads, two on-site events, a flight of television and radio commercials, and a referral promotion. If you can finance this broad campaign, then you've established your marketing budget.

If you can't finance your dream marketing plan, and very few businesses can, don't panic. You can still develop a solid, effective marketing budget.

You may simply need to rethink and adjust the answer to No. 1. In other words, you may need to narrow the scope of your audience. Is there a subset within that group that will help your market share grow?

If you sell premium household cleaners, for example, wouldn't your marketing efforts be more efficient and less wasteful if you could market to the people who are most likely to buy your prod-

So the question becomes: "What will it cost to reach young women, ages 20 to 35, who do their own house cleaning to save money but are willing to pay a premium price for the best brand?"

Sure, it may take more work to peel the layers back so you can get to this very specific audience, but once you do you'll have access to a very ripe audience that's ready to buy. And you can choose your marketing mix to target that audience.

Rather than taking a conventional approach, which asks, "How much marketing can I afford with X number of dollars?" this method forces you to clearly identify your audience and build an effective and efficient plan to reach that audience.

That's a solid investment.

Editor's note: Lana O'Hollaren does business development and account management for Aloysius Butler & Clark and manages the agency's southern Delaware office. She can be reached at 227-1005.