

EARNED INCOME TAX CREDIT



Pauline and Manuel Baldenegro, Baldenegro Tax Services

VOLUNTEERS MAKE TAX FILING STRESS FREE

"After thirty four years with the IRS, I knew everything there was to know about income tax collection," said retired IRS agent Pauline Baldenegro, seated at a desk stacked with tax files in a professional office suite on Santa Rosa's bustling College Avenue. Baldenegro dedicates a considerable portion of each tax season to the sharing of extensive expertise in Earned Income Tax Credit and other tax matters with Sonoma County's lowest-income families.

"People are so afraid of the IRS," said the owner/operator of Baldenegro Tax Services. "Despite the fact that programs such as EITC have been established precisely to put much-needed money back into the family account."

Baldenegro and her husband, Manuel, spend every Wednesday afternoon from 4 p.m. to 8 p.m. from February through mid-April, spreading this message of financial hope at the bi-lingual Volunteer Income Tax Assistance Site located in Petaluma's Public Library at 100 Fairgrounds Dr.

"It is extremely rewarding to be able to help so many hard-working people," said Baldenegro, who files taxes for as many as 16 individuals during a typically busy Wednesday session. "The EITC program is benefitting more and more families as the government continues to canvas the workplace," she said. "It is important for people to know that if they are eligible, claims can be filed for two to three years prior to this first tax filing. That equates to thousands of dollars for the most deserving."



Gloria Pearson, Pauline Baldenegro and Manuel Baldenegro help Diana Cannon with her tax return.

Photos by Duncan Garrett

LITTLE-KNOWN TAX CREDIT HELPS WORKERS WHO NEED IT MOST

As a single mother with two avid lacrosse-playing sons, Nina Ryan of Petaluma must somehow manage her gas mileage for multiple weekend games across the Bay Area, supply her sons with costly equipment and keep on top of substantial registration fees.

"A second lacrosse stick snapped during last Saturday's high school game," said Ryan. "My boys are accustomed to borrowing equipment. At least until this year's Earned Income Tax Credit comes in."

That cash injection will be sooner rather than later, a huge financial relief to Ryan. She files her taxes annually at her local library's Volunteer Income Tax Assistance Site. Because she is eligible for critical rebates such as the Earned Income Tax Credit, her bank account will be credited with an annual rebate within one week of filing.

As a moderate income earner in costly Sonoma County, Ryan easily qualifies for the Earned Income Tax Credit. "Experienced volunteers at Petaluma Library's Free Income Tax Assistance Site have been helping me file my taxes and apply for valuable rebates such as EITC for the past five

years," said Ryan.

"I've never been one to ask for help," said Ryan. "It is a struggle to live from paycheck to paycheck, cover the rent and keep the boys in the basics."

"There is an awful lot of pressure on a single parent," said Ryan. "I never know what may come up in any given month." Being able to rely on the free support of the Association of Retired Persons volunteers at the Petaluma library makes tax season far less stressful. "It takes around one hour to file my taxes electronically," said Ryan. "These wonderful people give up hours and hours of their lives each tax season to help those who survive on low to moderate incomes."

Although Ryan is grateful for her full-time position with the Petaluma School District and the ability to make basic ends meet for her family, many major household bills must wait until her annual tax rebate kicks in. With careful planning and essential budget trimming, this year's Earned Income Tax Credit might just provide sufficient funds for two new lacrosse sticks.

WHAT IS THE EITC?

The EITC is a special tax benefit for working people who earn low or moderate incomes. It is designed to reduce the tax burden on these workers, to supplement wages, and to provide a work incentive.

WHO CAN GET THE EITC?

To get the EITC, low to moderate income workers as defined by the IRS can file as: "single," "head of household" or "married filing jointly." Though there are qualifying criteria, the following groups are examples of possible recipients:

- Military personnel who live in the United States or overseas.
- College students who work and are raising children.
- Parents of full-time students under age 24.
- College students between the ages of 25 and 64 who are not raising children and are also working.
- Immigrants who obtain legal work status.

Even if your earnings don't require you to file and pay federal taxes, you may still qualify.

Rising costs of housing, health care utilities and education, coupled with changes in the Sonoma County economy, leave many hard-working individuals struggling to support themselves and their families.



Many local partners, including United Way, the Sonoma County Services Commission and the Sonoma County Human Services Department, are collaborating to help provide free tax assistance to those with household incomes below \$42,000 in 2007. "Taxpayers claiming the Earned Income Tax Credit can receive as much as \$4,700 per family," said Chanda Zirkelbach, Vice President of Community Impact for Sonoma County's United Way.

"EITC is a tax credit for working people. Even if they don't owe any taxes, they may be eligible for a substantial refund for a working family with two or more qualifying children," Zirkelbach said. "United Way strongly encourages low to moderate income families not to pay expensive tax preparation fees and interest on refundable loans when they are eligible for free tax preparation support at over 20 sites across the county."

– Chanda Zirkelbach
Vice President of Community Impact
United Way of Sonoma-Mendocino-Lake

ABOUT OPPORTUNITIES: A SPECIAL PROMOTION

Celebrate Community is proud to provide information about programs that help working families today, and prepares them for tomorrow. Earned Income Tax Credits may provide funds that can make a substantial difference in their lives.

The Association of Retired Persons, Santa Rosa's Parents' Place, a program of Jewish Family Children's Services, our local United Way and Volunteer Center work together to provide free tax preparation for low to moderate income workers, and create awareness of the Earned Income Tax Credit. Some workers may not be aware that they may qualify for this rebate even if they do not earn the minimum income required to file taxes.

For information about free tax preparation services and qualifications for EITC, contact:

The Volunteer Center - 707-573-3399



BROUGHT TO YOU BY THE PRESS DEMOCRAT'S
CELEBRATE COMMUNITY PARTNERS



Participating Nonprofits:

