



Volunteer Income Tax Assistance

Students Help Low Income Families Navigate Tax Season

The Problem

- Maximum refundable Earned Income Tax Credit (EITC) for 2018 was \$6,431 – a windfall for many low income families
- Average fee to prepare an individual tax return is \$176, but many preparers entice clients into refund anticipation loans with high effective interest rates (some exceeding 50%)
- The IRS estimates that only 20% of eligible families claim the EITC
- FICA and other payroll taxes hit low income people harder than high earners
- IRS sponsors program to help this population receive free tax preparation – Volunteer Income Tax Assistance



The Solution

- Creighton’s Accounting Department has partnered with VITA for over 40 years
- Creighton accounting and law students coordinate free tax return preparation for low income taxpayers
- Volunteers must pass several examinations before they assist clients
- Advanced Beta Alpha Psi students review returns for accuracy and completeness
- Creighton VITA has sponsored tax preparation clinics on campus and in Winnebago, NE, Project Homeless Connect and Highland Center
- Accounting students are required to participate in VITA as a course service learning component
- In 2019 season
 - Assisted over 350 people, including international students
 - Completed 1,300+ hours of service
 - Refunds for clients > \$250,000 at no cost



Ignatian Elements

- Student learning is enhanced by practical experience. The program is an example of how Creighton implements *Magis* into its curriculum
- Volunteers practice *Cura Personalis* through personal service, and develop skills that translate into the accounting profession
- By exposing future professionals to the inequities of the tax system, VITA is *Forming and Educating Agents of Change* that will improve upon our current system
- Students experience poverty in a different context and share their professional gifts with the poor and marginalized
- Students in tax course are required to write a reflective paper on their personal experience and the impact of their service on their clients

