



**Aloha United Way**

**NEWS RELEASE**

FOR IMMEDIATE RELEASE

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**Aloha United Way with its Coalitions and Agency Partners Undertakes a Major Initiative to Connect Hawai'i Families with Millions in Unclaimed Tax Credits**

*Nearly 30 percent of eligible families in Hawai'i fail to claim the federal Earned Income Tax Credit!*

HONOLULU – The Earned Income Tax Credit has been called the nation's most efficient anti-poverty program for working families and individuals, yet each year thousands of Hawai'i residents fail to claim this tax credit which, for a qualified family with two or more children, could mean a tax refund as high as \$4,400. For tax year 2002, 28% of eligible Hawai'i residents left approximately \$30,000,000 unclaimed (source: GAO).

With an estimated 32% of the State's population living below the entry level for federal poverty programs, these funds can often make the difference between homelessness and survival, or simply provide much needed money for overdue bills, medical expenses or basic living needs. Returning these funds to qualified families and individuals also benefits local businesses by bringing increased federal money into the state's economy.

The largest credit available for tax year 2005 is \$4,400 (with two or more children) or \$2,662 (with one child) and \$399 with no qualifying children. Even individuals whose income is below the level required to file a tax return may also qualify for the EITC. The average EITC refund in Hawai'i is

about \$1,500. To receive the credit, those eligible simply need to file their federal tax return and attach the completed Schedule EIC.

Determined to connect eligible families and individuals with their tax credits, Aloha United Way, through a grant made possible by the State of Hawai'i, established a Family Self-Sufficiency Program and will continue statewide efforts during 2006 and beyond. Working with a variety of partner coalitions and agencies, including the City & County's Section 8 Housing and Family Self-Sufficiency Department, HABC, IRS, HCAP and HUD, the effort aims first to increase awareness of the EITC through community outreach, and then to actually help families collect by establishing a network of free tax assistance sites where they can have their state and federal returns prepared without charge. A comprehensive list of these free tax assistance sites is available on the program's website [www.hawaiitaxhelp.org](http://www.hawaiitaxhelp.org).

To get the word out, outreach materials have been created in English, Chuukese, Samoan and Ilokano (with additional languages to be added). Program awareness is being generated by an extensive network of organizations receiving informative flyers and posters, which urges workers with a slogan to "Earn it. Claim it. Save it."

Aloha United Way with the help of its partner coalitions and agencies is dedicated to reducing the number of Hawai'i families and individuals neglecting to claim their federal tax credits by increasing the number of free tax assistance sites and the amount of volunteers to work at these sites.

Taxpayers may call 211 or toll free 877-275-6569 for the location of a free tax assistance site near them. Or for a complete list and more information go to the Hawai'i Tax Help Website at [www.hawaiitaxhelp.org](http://www.hawaiitaxhelp.org).

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#### About Aloha United Way

Since 1919, Aloha United Way has been dedicated to improving lives and building a stronger, more compassionate community by encouraging civic engagement through giving and volunteerism. For more information, please visit [www.auw.org](http://www.auw.org) or call (808) 536-1951.