

United Way Worldwide

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April 19, 2016

The Honorable Sherrod Brown
Senate Finance Committee
713 Hart Senate Office Building
Washington, DC 20510

The Honorable Ben Cardin
Senate Finance Committee
509 Hart Senate Office Building
Washington, DC 20510

Dear Senators Brown and Cardin,

United Way Worldwide writes to express support of your amendment to the Taxpayer Protection Act of 2016, which would raise the cap on the IRS allocation to the Volunteer Income Tax Assistance (VITA) matching grant program from \$15 million to \$30 million, subject to appropriation override.

VITA is an effective public-private partnership executed in local communities across the country, whereby thousands of volunteers are trained and certified to provide qualifying individuals and families with free, reliable and accurate assistance in filing federal tax returns. Most taxpayers utilizing VITA earn an annual household income of less than \$40,000 and come from traditionally hard-to-reach populations, including people with disabilities, Native Americans and the elderly. During the 2015 filing season, tens of thousands of VITA volunteers prepared more than 1.5 million tax returns nationwide, resulting in \$2.3 billion returning to local communities in 2015 – dollars spent to cover child expenses, pay bills, purchase groceries and household necessities, as well as to save for the future.

United Way appreciates that the Chairman's Mark of the Taxpayer Protection Act of 2016 codifies the Volunteer Income Tax Assistance (VITA) matching grant program and gives IRS the discretion to fund VITA with up to \$15 million from its own budget in the absence of a specific appropriation. More than 380 United Ways across the country partner, sponsor, or invest in VITA and we can attest to the powerful return on investment of this public-private partnership. We also know that \$15 million represents only a fraction of the costs of operating VITA tax sites nationwide. Though the tax returns are prepared by volunteers, sponsoring community organizations contribute significant resources to recruit and train the volunteers, supervise the volunteers to ensure accuracy, provide office space and computers for electronic filing, and conduct outreach to community members.

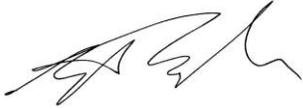
And demand for VITA services only continues to grow. The IRS has determined that while 2.1 million presently access free tax assistance, a total of 19 million would do so if it were readily available.

With VITA's accuracy rate at 94% – the highest of any major tax preparation service – it is in our collective interest to strengthen a proven community solution that enables Americans to accurately meet their tax obligations while supporting economic opportunity. By raising the cap on IRS allocations

to the VITA matching grant program to \$30 million, your amendment is a sensible approach to shore up this proven public-private partnership.

Thank you for standing for strong communities across the country by offering this amendment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Taylor', with a stylized flourish at the end.

Steve Taylor
Senior Vice President and Counsel for Policy
United Way Worldwide