

May 5, 2021

The Honorable Mary Kiffmeyer
Chair, Senate State Government Finance and Policy and Elections Committee
95 University Avenue W.
Minnesota Senate Bldg., Room 3103
St. Paul, MN 55155

The Honorable Michael Nelson
Chair, House State Government Finance and Elections Committee
585 State Office Building
St. Paul, MN 55155

Dear Chair Kiffmeyer, Chair Nelson, and Conferees,

On behalf of Community Action Partnership of Ramsey and Washington Counties, I'm writing to respectfully urge you to include the Governor's full budget proposal to support Volunteer Income Tax Assistance (VITA) sites in the State Government Finance Conference Report. This proposal provides \$1 million in funding for the Taxpayer Assistance Grants (TAG) program, which supports free tax preparation services for low-income taxpayers, and \$100,000 for the Department of Revenue to offer technical assistance to expand the program and start new sites.

Trained and IRS-certified volunteers prepare tax returns for low-income members of their community at VITA sites across the state. VITA services save the state money by ensuring that returns are prepared accurately and filed electronically, and they make sure taxpayers claim any tax credits for which they're eligible, which helps people catch up on bills and save for emergencies. This tax season alone we have prepared 131 returns, give \$267,905 back to the community. This is a true neighbors-serving-neighbors model that creates a great deal of good for a small amount of funding.

Unfortunately, our VITA sites often have to turn away eligible clients due to limited resources, and in parts of our service area, there are no free tax prep services nearby. The COVID-19 pandemic has only exacerbated our existing limitations, as we have lost volunteers and had to shift to virtual services. We also have a higher need in the community than ever before. The Economic Impact Payments have required people to file returns who usually wouldn't have to. Our community members are depending on returns even more now as they cope with the pandemic.

Additional funding would enable us to expand our service hours and locations, and to recruit and train more volunteers, so we can meet the need for free tax prep in their community. Having to quickly adapt to COVID meant that we had to develop a completely new way to do

taxes virtually. This process requires double the staff and volunteer time. Additional funding would allow us to fully develop the program with the staffing and resources it requires. We hope you will prioritize this funding in the State Government Finance Conference Report.

Thank you for your consideration.

Sincerely,

Elisabeth Caldwell

Community Action Partnership of Ramsey and Washington Counties VITA Site Coordinator

CC:

The Honorable Tou Xiong

The Honorable Sandra Masin

The Honorable Emma Greenman

The Honorable Jim Nash

The Honorable Andrew R. Lang

The Honorable Mark W. Koran

The Honorable Jeff R. Howe

The Honorable Jim Carlson