

May 5th, 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 West Central Minnesota Communities Action Inc, I am 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 are eligible, which helps people catch up on bills and save for emergencies. This year, our VITA sites completed over 850 federal, and 1,200 State returns for low-income households in West Central Minnesota. This resulted in \$1,011,207 back into 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 currently need to look for private funding to help support the full cost of our VITA program and are at risk of not being able to provide any services each year if we are not able to secure additional funding.

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. We hope you will prioritize this funding in the State Government Finance Conference Report.



Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Kelli M. Minnerath". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kelli Minnerath

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