

Publication: Star Ledger; Date: Jan 10, 2008; Section: Essex County; Page: 119



Group comes to rescue in tax season

Newark Now helps residents save fees and file for income tax credit

BY JEFFERY C. MAYS STAR-LEDGER STAFF

Tujianna Singleton was in a bind when the tax season rolled around last year. She was a student and only working part time but owed money on a defaulted student loan and wanted to learn to drive and buy a car to increase her job prospects.

She saw a flier about the Earned Income Tax Credit, a federal and state program that allows the working poor a tax credit if they've earned below \$40,000. Created in 1975, it is one of the nation's largest anti-poverty programs.

Singleton went to one of the Volunteer Income Tax Assistance programs run by nonprofit Newark Now and was able to get back 30 percent of her \$12,000 income as a part-time insurance adjuster collector — more than \$3,000. She paid off her loans, took driving lessons and purchased a car with the money. "I can get to jobs now. It's tremendous," said Singleton, who'll soon finish her studies in medical billing.

Last year, 1,100 people, mostly Newark residents, saved \$100,000 in processing fees and received \$500,000 back in federal and state Earned Income Tax Credits by filing for free at Newark Now tax centers. About \$1.5 million in federal and state tax returns were also received by participants.

This year, Newark Now Executive Director Modia Butler said the goal is to double those figures. His group has partnered with the city, Essex County and the Internal Revenue Service to double the number of tax preparation locations to nine. The centers have the capacity to serve 2,200 people. The New Jersey Department of Treasury and the Newark Asset Building Coalition are also partners in the effort.

"This is about having a real impact in real neighborhoods for real Newarkers," said Butler.

Not enough Newark residents are taking advantage of the program, Butler said. The state recently doubled the income limit of those able to receive the Earned Income Tax Credit to \$39,783, so more people are eligible. Last year Newark residents did not claim almost \$4 million in state Earned Income Tax Credits and at least \$16 million in federal tax credits.

Mayor Cory Booker said those numbers are unacceptable, especially since economic growth can help reduce crime, pay for college and push children toward success. Booker, who founded Newark Now, said he often encourages eligible City Hall employees to apply for the credit.

"There is money rolling through Newark. All people have to do is take the time to claim it," said Booker. "This is money people can use to put a down payment on a house or pay for college tuition."

And, said Booker, some people are eligible to go back up to three years to claim the credit.

Singleton said she's not only preparing for graduation and her job search but to file for the tax credit again. As a single parent helping to put her daughter through college, Singleton said she doesn't yet have plans for the money but is certain it will come in handy, again.

"Of course I can use that money," she said before breaking into laughter.

To make a tax preparation appointment call (973) 733-3460 or visit www.newarknow.org to find tax preparation centers.