



For Immediate Release
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Illinois Working Families Get Extra Tax Help

With three weeks left, working families can still get free tax preparation and EITC eligibility assistance

CHICAGO – State and non-profit tax assistance providers are urging working families struggling to make ends meet to seek free tax assistance to maximize their refunds from last year's tax payments. There is also hope that many Illinois families could see smaller tax bills and bigger paychecks as soon as July 1, 2009, if the tax reform plan proposed last week by Governor Pat Quinn becomes law. By increasing the personal exemption, a family of four earning almost \$61,000 would pay lower taxes in 2010.

Illinois families should file their federal and state taxes as soon as possible to take advantage of free assistance and benefit from a larger refund if they are eligible for the Earned Income Tax Credit (EITC). Through its partners, the State offers services to help eligible Illinois families get the largest refunds to which they are entitled.

The State of Illinois has teamed up with local governments and non-profit organizations like the Center for Economic Progress to provide free tax guidance to families earning up to \$45,000 and to individuals with incomes up to \$20,000. The sites are open on evenings and weekends to accommodate working families and will remain open through April 15. A list is available on the Department of Revenue's website at tax.illinois.gov.

"Illinois offers a free Web File program for all taxpayers, regardless of income, that provides fast refunds that can be deposited directly into a family's bank account in about a week," said Director Brian Hamer, Illinois Department of Revenue. "By filing through a tax counseling agency or through WebFile, working families can get their entire refund fast and free and avoid the cost of hiring tax preparation services, taking a refund anticipation loan (RAL) or purchasing expensive tax software to file from their home computers."

Since the start of the 2009 tax season, more than 2.2 million individual tax returns have been filed electronically, an eight percent increase over last year. The State anticipates that up to 60% of all individual tax returns will be filed electronically in 2009. Almost three in four filers who are owed tax refunds have opted to have those refunds deposited directly into their bank accounts. Most taxpayers can also file their federal taxes online for free; information about filing federal taxes on-line can be found at www.irs.gov.

More than 550,000 Illinois families have received EITC credits of \$65.4 million from their 2008 tax returns. Families raising two or more children in their home could get up to \$4,824 from the federal EITC. Illinois residents who claim the federal EITC may also get a state EITC which can save them up to \$241. Together, these benefits put money back into the pockets of Illinois' working families.

Illinois has funded free tax counseling across the state through the Tax Counseling Project and the Tax Assistance Program. The Tax Counseling Project trains volunteers to provide free tax services to families and individuals at 13 locations in Chicago and 20 other sites throughout Illinois.

“A working family’s tax refund is crucial to their ability to make ends meet in difficult times such as these, thanks largely to the EITC. Our professional tax services help low-wage families claim credits that keep their heads above water while introducing them to financial opportunities that can help them become more secure,” said David Marzahl, Executive Director of the Center for Economic Progress. “Thanks to our trained and certified volunteer work force, we will assist more than 32,000 families this year.”

Marzahl pointed to the example of Abby, a woman from Chicago, who said: “[My tax refund] is my money and I worked hard to earn it, but figuring out how to get it back – that was hard. [The EITC] is so useful because it’s really hard out there – it helped me buy my first car and put some money down on a house for me and my son.”