

# Asset Building for Workers with Disabilities

# Tools of the Trade

- Volunteer Income Tax Assistance (IRS) and AARP Tax Assistance
- Earned Income Tax Credit (IRS) and Elderly/Disability Credit
- Individual Development Accounts (IDA) and HUD Family Self-Sufficiency Programs (HUD FSS)
- SSA Work Incentives
- General Financial Literacy Programs

# Volunteer Income Tax Assistance (VITA)

- IRS sponsored free service assistance preparing and filing tax returns to low to moderate income families (less than \$49,000)
- Held in public/private locations, to cover the largest area with trained preparers.
- SSA WIPA in AZ is a VITA site
- Locate the VITA closest by calling toll-free at **1-800-829-1040 (602-263-8856 local)** or visiting [www.tax.cir.org](http://www.tax.cir.org).

# AARP Tax Sites

- AARP Foundation sponsors 94 sites throughout the state that offer free tax services.
- Sites serve everybody within scope of their training, with special emphasis on needs of seniors.
- Open from Feb 1-April 15.
- For site locations, [www.aztax-aide.org](http://www.aztax-aide.org).

# Tax Credit for Elderly or Disabled

- 65 or older or permanently and totally disabled.
- Definition of disability uses “substantial gainful activity” but it is NOT the same as the Social Security definition (stricter) and requires doctor’s statement.
- Adjusted gross income limits and nontaxable disability income limits.

# Earned Income Tax Credit (EITC)

- EITC is a federal refundable tax credit directed at low income workers and based on family size
- Can be as much money in one lump sum as any point in the year, particularly for workers with kids (up to \$4700)
- You can check on EITC eligibility during tax season by clicking

<http://www.irs.gov/individuals/article/0,,id=96406,00.html>

# Individual Development Accounts

- Partnership between financial institutions, private non-profits, community development and DHHS
- Funding ratios from 1:1 – 1:8
- Most funded through Federal Assets for Independence Act for home ownership, post secondary education or business development
- Excluded from Assets for SSI and Medicaid
- [www.cfed.org/ida/directory](http://www.cfed.org/ida/directory)

# HUD Family Self-Sufficiency Program

- Run through the local Housing Authorities.
- Allow residents to put money that would normally be paid in increased rent because of employment into an account.
- Account money can then be used to save for a house or other approved purpose.
- Community action agencies can help you find out if the Housing Authority participates:  
<http://www.azcaa.org/find-help/community-action-agencies>.



# Financial Literacy

- Education and information on Budgeting, Saving, Credit Management, Education of impact of good/bad credit & debt
- Inspire change in behavior by decreasing reliance on predatory lending practices and increasing savings and self sufficiency.
- Resources: [www.arizonasaves.org](http://www.arizonasaves.org) and [www.moneymanagement.org](http://www.moneymanagement.org)

# Arizona EITC Coalition

- Statewide asset building partners
- Initial focus in statewide EITC/VITA coalition and low income tax incentives
- Deter individuals from predatory lending
- Asset building symposium expanding focus on employment based asset building partnerships

# Cultural Competency

*(Fill in any cultural competency components for particular populations that your agency works with that may arise in talking about education)*

# Internal and External Policy Change

- Are there any internal policies or procedures that will create a barrier to incorporating this into our work?
- Are there any state or federal policies that will create a barrier to incorporating this into our work?
- How can we create an open dialogue on this and a system for documenting changes needed?