



February 2, 2011

Income Tax News

Earned Income Tax Credit

If you earn \$49,000 or less, you may be eligible for a tax credit to the tune of more than \$5,000. This credit is called the Earned Income Tax Credit. If you are living in Connecticut, you may receive help from a newly-formed program called the Volunteer Income Tax Assistance (VITA) program where volunteers in Stamford and other areas help you file for the credit that you are eligible for. These volunteers are all IRS certified and you may have your tax returns filed by them at no charge.

James Horan, Executive Director of the Connecticut Association for Human Services (CAHS) said that VITA “ensures that working families have access to valuable tax credits without having to pay high fees. In addition, VITA connects families to other free services that provide them with the tools to leverage those tax refunds into long-lasting financial stability.” The CAHS also helps coordinate community awareness campaigns about the free VITA services.

To check out if the VITA program is for you, go to the [Volunteer Income Tax Assistance program](#).

No Income Tax Forms this Year

The IRS will not be mailing tax booklets with forms and instructions as in previous years. According to the IRS, only about 8% of taxpayers received tax packets in the mail, while the rest either used a tax preparer or tax software or filed their returns electronically. Hence to cut costs and because of the increase in electronic filing, the agency has decided to do away with IRS forms altogether this year.

However, if you or your business still want to make a paper filing, you may download the relevant forms from the IRS website, www.irs.gov. If you wish you can also obtain paper forms by calling 1-800-829-3676 for forms and publications to be sent through the mail. It would take about 10 days for the forms to arrive.

Alternatively, the forms are also available at local IRS offices or at participating libraries and post offices.

If you wish to file your tax return electronically, visit the IRS website for instructions. You can use Free File Fillable Forms, which are online versions of IRS paper forms that can be filed electronically without any charge. And if your income is \$58,000 or less annually, you can use Free File tax software to prepare your tax returns. This is also free of charge.

If you are at least 60 years old, you can get free tax counseling and basic income tax preparation help through the tax counseling for the elderly program. To help locate a tax-aide site, call 1-888-227-7669.