



**North Carolina Department of Health and Human Services**

2001 Mail Service Center • Raleigh, North Carolina 27699-2001

Tel 919-733-4534 • Fax 919-715-4645 • Courier 56-20-00

Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

November 27, 2002

Re: Earned Income Tax Credit (EITC)

Dear County Director of Social Services:

We are writing to ask your agency to consider providing a service that would be a boon to your community.

Last year, over 600,000 North Carolina low-income families received in excess of \$1.1 billion from the federal government through the Earned Income Tax Credit (EITC). This money went directly into the pockets of families who needed it the most. The credit directly reduces the amount of tax owed and may also provide a refund. The EITC means dollars in the pockets of North Carolinians and dollars pumped into our economy.

The EITC is very good for our state, but it is underutilized. The Internal Revenue Service (IRS) estimates that another quarter billion dollars (\$250 million) of unclaimed credit could have been claimed last year. People simply are not aware of, or do not know how to claim, the credit which requires the filing of a tax return even if no tax is owed.

One of the main barriers to filing is the scarcity of help in understanding the forms and the filing requirements. Understandably, a low-income family is reluctant to spend hard-earned money on a paid tax preparer. The IRS encourages volunteers to provide tax help through a program called Volunteer Income Tax Assistance (VITA), but not enough VITA sites exist.

Here is where you come in. **Please consider making your building(s) and computers available for VITA volunteers this coming tax season.** VITA sites generally operate on weekday evenings or Saturdays. Sites can set up their own hours of operation. Internet access is preferred. Software and volunteers are provided by the IRS.

If you have served as a VITA site in the past, you know that this is a rewarding public service. If not, please consider providing this service to your community. To obtain more information or to volunteer your agency as a VITA site, call Mary Williams of the IRS at 1-336-378-2197.

Sincerely,

Carmen Hooker Odom  
Secretary

Pheon Beal  
Director, NC Division of Social Services

WRM/bh  
**EI-34-2002**

