

January 27, 2009

**MAYOR BLOOMBERG AND CONSUMER AFFAIRS COMMISSIONER MINTZ LAUNCH THE *\$AVE*NYC ACCOUNT**

***Privately-Funded City Match Program Encourages Low Income New Yorkers to Save Part of Their Tax Refunds***

***Tax Credit Campaign Points Low Income New Yorkers to 54 Free Tax Filing Sites Citywide to Help File for the Earned Income Tax Credit, the City Child Care Tax Credit And Other Tax Credits***

***\$aveNYC Program and Tax Credit Campaign Latest in Initiatives to Help New Yorkers Weather the Economic Downturn***

Mayor Michael R. Bloomberg, Deputy Mayor for Health and Human Services Linda I. Gibbs and [Department of Consumer Affairs](#) Commissioner Jonathan Mintz today announced the launch of the *\$aveNYC Account* program, a special savings account to help low income New Yorkers make the most of their tax refund by building savings through a privately funded City matching program. New Yorkers who visit select Volunteer Income Tax Assistance (VITA) sites to file their taxes may be eligible to open a *\$aveNYC Account* with part of their tax refund and receive a 50 percent match (up to \$250) if they save the money for at least one year. The matching funds would be in addition to the 2 to 3 percent interest the savings accounts would earn. The Mayor also kicked off the City's tax credit public awareness campaign to encourage working families and low income New Yorkers to call 311 to learn about how tax credits can boost their refunds, and also to see if they qualify for free tax preparation at one of the City's 54 Volunteer Income Tax Assistance sites. City residents can locate free and low-cost tax preparation sites, as well as VITA sites offering *\$aveNYC Accounts*, by calling 311 or visiting [www.nyc.gov](http://www.nyc.gov). With the economy on the decline, today's announcement is part of a series of initiatives announced by the Bloomberg Administration to help more New Yorkers stretch their paychecks further and weather the storm. The Mayor was also joined by Human Resource Administration Commissioner Robert Doar along with representatives from the New York City EITC Coalition at the CheckSpring/Ariva Tax Preparation Center in the Bronx.

"Every tax season, our Administration joins community organizations to help hard working New Yorkers get back the money they are due," said Mayor Bloomberg. "This year, with the economy in recession, that work is more important than ever – and we're offering more support than ever. Not only are we offering more free and low-cost tax assistance sites, but our new matching fund program will create incentives for more hard-working families to put away some of their refunds for future emergencies. We don't know how long it will take the economy to rebound, but building some savings for next year is sound financial planning."

"The Center for Economic Opportunity's over arching goal is to help families lift – and keep – themselves out of poverty," said Deputy Mayor Gibbs. "The EITC and New York City's local child care tax credit are two of the best tools we have to put money in the pockets of hard-working New Yorkers who need it now more than ever."

"For many New Yorkers, filing for tax credits like the Earned Income Tax Credit and the Child Care Tax Credit can result in the single largest check they receive all year – as much as \$6,500," said Commissioner Mintz. "The City's Tax Credit Campaign is more robust than ever before. By launching the *\$aveNYC Account* program, the City has gone a step further – at a time when it is needed more than ever – so New Yorkers can save parts of their tax refunds and build emergency savings for their future."

The *\$aveNYC Account* Program began in the 2008 tax season as a pilot program with approximately 150 New Yorkers who opened a special savings account. Nearly 75 percent of participants have met the requirement of keeping their accounts open for the year, qualifying them to receive the City match during the 2009 tax season. This year the program will be launched at a dozen VITA sites in the five boroughs. Families earning less than \$45,000 and individuals earning less than \$20,000 are eligible to open a *\$aveNYC Account* when filing their taxes at participating VITA sites. The program is funded through private donations

made to the Mayor's Fund to Advance New York City. New York City's Tax Credit Campaign is also supported in part by donations made to the Mayor's Fund.

Coordinated by DCA's Office of Financial Empowerment (OFE), this year's Tax Credit Campaign has been expanded to help make New Yorkers aware of the various tax credits for which they may be eligible. VITA sites throughout the City prepare tax returns for families with dependents who make less than \$40,000, or individuals earning less than \$20,000, free of charge. Volunteers at the City's VITA sites will help City residents file for many tax credits including the Earned Income Tax Credit (EITC) and the New York City Child Care Tax Credit (CCTC). In 2007, New Yorkers claimed approximately \$2.14 billion in total EITC tax credits. VITA sites helped more than 82,000 New Yorkers obtain an average EITC refund of \$2,600. Calls to 311 for EITC information spiked to more than 38,000 last year – a record high. Families earning \$30,000 or less could be eligible to receive up to \$1,733 to reimburse costs for child care for children under 4-years old. New Yorkers can call 311 to learn the eligibility requirements for EITC and information about NYC CCTC, as well as other tax credits. The campaign includes partnering city agencies, non-profit organizations, the IRS and media sponsors the Daily News and Hot 97.

This year the City expanded its Tax Prep Plus program citywide, with 12 sites offering tax return preparation by a Tax One professional for only \$20. Tax Prep Plus sites offer professionally prepared tax returns to increase options and access to safe and affordable tax preparation. Families earning less than \$55,000 and individuals earning less than \$30,000 qualify. Tax Prep Plus sites will not offer refund anticipation loans and other predatory products to their customers, ensuring that consumers get every portion of their refund. Like VITA volunteers, Tax Prep Plus preparers will also help City residents claim the credits for which they qualify, which may include the EITC and CCTC.

OFE is the first local government initiative in the nation aimed expressly at educating, empowering, and protecting those with low incomes, so they can build assets and make the most of their financial resources. OFE is the first program to be implemented under the Center for Economic Opportunity as part of Mayor Bloomberg's aggressive efforts to fight poverty in New York City.

The Mayor's Fund to Advance New York City is a not-for-profit organization established to strengthen public programs serving the needs and general welfare of New Yorkers. To learn more about the Mayor's Fund, or to make a contribution to the EITC Campaign, visit [www.nyc.gov](http://www.nyc.gov) or call 311.

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Ensuring a fair and vibrant marketplace for consumers and businesses alike, DCA licenses more than 60,000 businesses in 55 different categories. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses about their rights and responsibilities. For more information, call 311 or visit DCA online at [www.nyc.gov/consumers](http://www.nyc.gov/consumers).