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**DEPARTMENT OF CONSUMER AFFAIRS AND CENTER FOR ECONOMIC OPPORTUNITY
ANNOUNCE NEW RESEARCH CONFIRMING SAVEUSA'S INCENTIVE ENCOURAGES LOW-
INCOME NEW YORKERS TO SAVE AT TAX TIME**

City's Tax Preparation Services Available Through Next Monday's Tax Deadline

Department of Consumer Affairs (DCA) Commissioner Jonathan Mintz and Center for Economic Opportunity (CEO) Executive Director Kristin Morse today announced that low-income New Yorkers have accumulated more than \$1 million in savings over the last three years by participating in the SaveUSA tax-time savings program. SaveUSA is a unique tax-time savings program that offers participants a 50 percent match up to \$500 if they deposit at least \$200 of their tax refund into a savings account and maintain the initial deposit for one year. With an average annual household income of just under \$18,000, there have been nearly 1,700 SaveUSA participants in New York City. In 2013, 76 percent of 2012 account holders received the match, totaling more than \$620,000 in combined savings plus match. This and other results of SaveUSA confirm that low-income households can and will save money when given the right opportunity were announced as a report issued by the research firm MDRC. Commissioner Mintz and Executive Director Morse also remind New Yorkers that Tax Day is Monday, April 15th and the City's tax preparation services will be available throughout the weekend.

"When we launched \$aveNYC five years ago, we saw that, contrary to many peoples' expectations, those with low and moderate income can and will save money when given the right opportunity," said DCA Commissioner Jonathan Mintz. "MDRC's report studying our multi-City replication as SaveUSA, further demonstrates that these savings are not only possible across the country, but that these are dollars that would not have been saved without for this exciting program."

"The Earned Income Tax Credit has lifted millions of people out of poverty and SaveUSA has made it an even greater resource, helping our most vulnerable families as they build assets and guard against life's unforeseen circumstances," said CEO Executive Director Kristin Morse. "We are honored that other cities around the country have followed New York's lead and used this innovation to help their citizens become savers."

"Promising implementation findings from the SaveUSA study show that a matched savings program can be successfully run at tax-time in different localities across the U.S., and that most participants maintain their savings and receive a match," said Gilda Azurdia, senior associate at MDRC and lead author of the SaveUSA brief. "Future MDRC research will examine how the opportunity to open to a matched savings account affects the financial well-being of low and moderate-income individuals."

Based on the \$aveNYC program, launched in 2008 in New York City, SaveUSA is currently replicated nationwide by CEO through a federal and private Social Innovation Fund grant in New York, Newark, San Antonio and Tulsa. During the 2012 tax season, the program helped nearly 1,600 tax filers across the four cities save approximately \$1.6 million, which includes initial savings amounts plus matching funds. Across all four participating cities, there are currently more than 4,500 SaveUSA accounts totaling more than \$3 million in savings. Over the first three years of the program, an average of 74 percent of participants have maintained their savings for one year and earned the match payment.

This week MDRC, a nonpartisan education and social policy research organization, released a policy brief on the SaveUSA program that examined the initial implementation findings of the SaveUSA program. Several highlights of the brief include:

- The average household income of SaveUSA participants is less than \$18,000, and most (87.1 percent) are single filers.
- SaveUSA participants are more likely to have dependent children and are therefore more likely to qualify for the Earned Income Tax Credit (EITC) and have larger refunds than eligible tax filers who did not enroll in the study.
- A control group of eligible New York City tax filers enrolled in the SaveUSA study but did not receive the opportunity to open a SaveUSA account or earn a savings match. Only nine percent of this group directly deposited any of their tax refund in another kind of savings account or purchased a savings bond when they filed their taxes.
- Among participants, the brief found that, despite low or moderate incomes, 29 percent pledged to save \$1,000, which is the maximum amount eligible to receive the 50 percent match. The average savings pledge was about \$500.

Five banks and one credit union volunteered to participate in the program, with some financial institutions waiving fees and minimum deposit and balance requirements to accommodate SaveUSA participants. The full brief can be read at the [MDRC website](#).

Anyone who participated in the SaveUSA program last year is encouraged to visit a participating VITA site and fund their account again. Enrollment for new participants in New York City is closed for 2012 because there are no longer funds available but all other cities are enrolling new participants.

Free or Low Cost Tax Preparation

Since 2002, the City of New York has promoted the EITC and encouraged New Yorkers to file their taxes for free or at low cost by contacting 311 or visiting nyc.gov/taxprep. Last year's Tax Credit Campaign helped more than 100,000 New Yorkers file their taxes through one of the City's free or low cost options to claim more than \$162 million in tax credits and refunds. Over the past decade, the Mayor's EITC Campaign helped New Yorkers claim more than \$20 billion in federal, State and City refunds, including \$1 billion directly through the City's network of free and low-cost sites. The City has also partnered with H&R Block to allow New Yorkers who live in [Hurricane Sandy-affected zip codes](#) and suffered the loss of their homes, household items, or vehicles to be able to file the casualty loss form ([Form 4684](#)), which may reduce taxable income, for free at any H&R Block location in the City. City partners have opened additional Volunteer Income Tax Assistance (VITA) sites in Far Rockaway and Red Hook. The City's online tax preparation and many VITA sites will be available after April 15th. Check nyc.gov/taxprep or call 311 for details about the sites that will be open after April 15th.

The City's free and low cost tax filing options:

- New Yorkers with children who earn less than \$50,000 or those without children who earn \$18,000 can visit one of 91 VITA sites in the five boroughs where a certified volunteer will prepare their taxes for free.
- New Yorkers earning less than \$57,000 can also file their taxes online for free through the City's free tax-prep website at nyc.gov/taxprep. The City partners with Intuit Inc.'s Turbo Tax Freedom Edition and myfreetaxes.com, powered by H&R Block, to offer these services. The casualty loss form is also included in these preparation options.
- New Yorkers who earn less than \$41,000 with children or \$18,000 if they don't have children can also have their tax returns prepared at one of 51 participating H&R Block locations for just \$49 with the City-sponsored coupon, which can be downloaded from nyc.gov/taxprep. The casualty loss form is also included in these preparation options. New Yorkers who used the coupon in 2012 can return to a participating H&R Block and file their return using the same discounted rate in 2013.

- All New Yorkers who live in [zip codes affected by Hurricane Sandy](#) are eligible to file the casualty loss form for free at any H&R Block regardless of income.

Tax Preparation Required Documents

If you are claiming losses as a result of Hurricane Sandy, your tax preparer will need the following:

- Complete list of personal and non-real estate items lost in the disaster
- Full inventory of items lost or damaged and the value of the items; see [IRS Publication 584, Casualty, Disaster, and Theft Loss Workbook \(Personal-Use Property\)](#)
- Insurance reimbursement documentation, if available
- All types of FEMA reimbursement documentation, if applicable
- Any contractor estimates and repairs or replacement costs to damaged property
- Copies of your Federal tax returns for the last three years, if available

When having someone prepare your taxes in person, bring:

- Proof of identity, such as a driver's license or other photo ID
- Social Security cards for yourself, your spouse, and your dependents and/or a Social Security Number (SSN) verification letter from the Social Security Administration OR Individual Taxpayer Identification Number (ITIN) letter for all names on the return (original or copies)
- Birth dates for yourself, your spouse, and the dependents on the return
- Wage and earning statement from your employer(s): Form W-2, W-2G, 1099-R
- Interest and dividend statements from banks (Forms 1098 and 1099)
- A copy of your 2011 federal and state returns, if available
- Proof of any other income, e.g., lottery winnings
- Total paid for child care provider and the provider's Taxpayer Identification Number or SSN (if you are claiming the New York City Child Care Tax Credit)
- Bank account and routing numbers (if you are directly depositing your refund). Note: If you use direct deposit, you should receive your federal tax refund within 21 business days.
- To file a Married Filing Jointly return, both spouses must be present to sign required forms.

When preparing taxes online, you'll need:

- Social Security Number (SSN) OR Individual Taxpayer Identification Number (ITIN) for yourself, your spouse, and the dependents on the return
- Birth dates for yourself, your spouse, and the dependents on the return
- Your 2011 Adjusted Gross Income (AGI) or Self-Select PIN number. (AGI is the amount shown on your 2011 Form 1040, line 38; Form 1040A, line 22; or Form 1040EZ, line 4. The Self-Select PIN is the five-digit PIN you used to electronically sign your 2011 return.) If you cannot find this information, call the Internal Revenue Service (IRS) at 1-800-829-1040.
- Wage and earning statement from your employer(s): Form W-2, W-2G, 1099-R
- Interest and dividend statements from banks (Forms 1098 and 1099)
- Proof of any other income, e.g., lottery winnings
- Total paid for child care provider and the provider's Taxpayer Identification Number or SSN (if you are claiming the New York City Child Care Tax Credit)
- Bank account and routing numbers (if you are directly depositing your refund). Note: If you use direct deposit, you should receive your federal tax refund within 21 business days.