

## **TAX MINISTRY REPORT FOR 2014 TAX YEAR**

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**MISSION:** This is a signature mission of FUMC. Our volunteers prepare tax returns for local people in Lancaster City and the surrounding area at no charge. This tax service is equipped to file electronically for Federal and State returns, and at the same time, prepare paper returns for the Lancaster County Tax Collection Bureau (LCTCB), and also to provide either property tax rebate or rent rebate preparation for low income taxpayers who qualify. The wireless internet infrastructure at FUMC is critical to the success of this mission.

**SCOPE:** We serve low to middle income (undefined) taxpayers with special attention to the elderly. The scope of the returns we can prepare is defined by the IRS and is quite detailed. We rarely have persons who are out of scope and denied service. Every tax return is mandated to have a quality review by a Team leader before being filed. The Average Gross Income of our clients at FUMC was \$19,332. We secured more than \$1,700,000 in refunds for 1616 clients who filed federal tax returns at the FUMC tax office. This was an increase of 148 clients or about 10 percent above the prior year.

**VOLUNTEERS:** In 2014 we had 44 IRS certified tax preparers. In addition, there were 22 facilitators who review paperwork for completeness and check in clients on a first-come and first served basis. About half of the tax team are members of FUMC. Some of the others do not have a church affiliation. All volunteers must sign an agreement covering confidentiality and service protocols.

The number of client households served was about 2000. Most of these people are not members of FUMC, but are really impressed that the service is so professional and free. We have many repeat clients who come back year after year.

**IMPACT ON CHURCH OPERATIONS.** FUMC is listed as the point of contact and many telephone calls are taken by our front office during tax

season. This can be as many as 20 per day. Some are asking for directions, parking information and hours. Others are specific requests for tax information. These latter calls are transmitted to the team leader in the tax office where a member of the tax staff returns the call.

What are the scheduled hours that are devoted to the tax ministry? Taxes are prepared for 6 hours per weekday from February 1<sup>st</sup> to April 15<sup>th</sup>. Office hours are 9 am to 2 pm only Monday through Friday. All training and certification activity takes place during the whole month of January. This is in the range of 425 to 450 hours that impact the church operations. During this period of time, the church's wireless internet bandwidth is used to its capacity, as we are always running at least 6 computers and sometimes as many as 10 computers connected to the AARP/IRS process site. We do have an additional internet 'hot spot' that we use.

Also worth noting is that the site is subject to visits by IRS auditors who do monitor the process flow. We did have one visit by an IRS auditor this year and passed with flying colors! In terms of community awareness, the real success of the tax ministry is that it is first come, first served, and is the only such tax preparation office in Lancaster City that takes walk-ins. This means when other sites in the city are booked, the IRS, PA Department of Aging, and United Way refer people to our office. We also had referrals from senior centers outside the city.

### **TAX PREPARATION SITES AFFILIATED WITH FIRST CHURCH.**

FUMC serves as the base of operations for sites located in Columbia, Brethren Village, Quarryville, Willow Valley – Lakes, and Willow Valley – North. For the first time this year, we opened a site at Woodcrest Villa (we did 29 returns by appointment at this new site, and they are included with the FUMC results). Our volunteers at Willow Valley provide technical support for the internet and work out any issues determined through the IRS tax return acceptance process.

### **BUDGET IMPACT.**

Some of the clients of the tax ministry do donate small amounts of money in thanks for the service, and this is separately accounted for as "other revenue" in the budget of the church. This amount is usually less than \$1000. There is currently no estimate of the utility and infrastructure costs being incurred by the church to support this ministry.

The materials such as printers, toner and paper are provided by AARP Foundation, so there is no impact on the church budget for these items. The computers have been donated locally or have been provided by AARP Foundation. Training materials are also provided by the AARP Foundation working with the Internal Revenue Service.

**THE AARP TAXAIDE FINAL 2014 REPORT:**

In total, we served roughly 3500 clients with 2589 Federal Accepted Efiles as reported by the IRS. In addition we did many State Only, Paper Federal, Amended, Prior Year and Questions Answered. None of this volume is officially counted in the final statistics.) This volume increased 10.7 percent over last year.

Some interesting Individual site Statistics:

<b>SITE</b>	<b>FedEfile (#)</b>	<b>Avg AGI</b>	<b>Refund (\$)</b>
Brethren Village	124	22,381	130,759
Columbia	209	19,137	98,012
FUMC **	1616	19,332	1,758,389
Quarryville	305	18,073	183,060
WV Lakes	227	49,081	332,425
WV North	108	56,841	168,890
TOTAL	2589		2,671,535

\*\*included 29 returns at Woodcrest

Here are a couple of testimonials for this year:

***“The tax ministry is great! Good service, community and an overall wonderful experience. They took care of everything and did a great job.” - -Anonymous***

***“I am just so thankful for the generosity of this service ad the wonderful things this church is doing!” --Anonymous***

Submitted by Steve Franz  
Member of the tax ministry team,

Reviewed by June Wesbury  
Tax Ministry Team Leader