

TAX MINISTRY ANNUAL REPORT FOR THE 2015 TAX YEAR

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MISSION

This is an FUMC signature mission that has been in continuous operation since tax year 2007, for a total of nine years. 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). We also 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 emphasis on retirees and 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 electronically filed. The Average Gross Income of our clients at FUMC was \$20,311 which was a 5.1 percent increase from 2014. We secured more than \$1,600,000 in refunds for 1604 clients who filed federal tax returns at the FUMC tax office. This was a decrease of 12 returns from the prior year. (These numbers include 48 returns filed from our satellite site at Woodcrest Village Retirement Community.)

Our FUMC site continues to be the largest AARP Foundation tax preparation site in Eastern Pennsylvania in terms of the large number of efiled returns. Our process is 100 percent computer and network based, and runs in a Windows environment on Internet Explorer. We electronically file all current-year returns to the IRS. There are very few exceptions where we have to file a paper Federal return.

VOLUNTEERS

For the 2015 tax filing, we had 45 IRS certified tax preparers who qualified at the advanced level. In addition, there were 29 facilitators who review paperwork for completeness and check in clients on a first-come and first served basis. Only 7 of the tax preparers and 13 of the facilitators are members

of FUMC. This means that a majority of the volunteers are from the community and a few have no church affiliation. All volunteers sign an agreement covering confidentiality and service protocols.

The number of client households served at FUMC was 2354, including the Woodcrest site. Most of our clients 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 and in 2016 we are certain that we had a few clients who have come every year for nine years.

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 informational calls are transmitted to the team leader in the tax office where a member of the tax staff returns the call.

The scheduled hours of the tax ministry are or 6 hours per weekday from February 1st to April 15th. Office hours are 9 am to 2 pm only Monday through Friday. All training and certification activity takes place during the month of January. This means that we run for 15 weeks at FUMC and are scheduled for 35 hours per week. This means we have 500+ hours of operation that impact FUMC operations. During tax preparation season, the church's wireless internet bandwidth is used to its capacity, as we are always running at least 7 computers and sometimes as many as 10 computers connected to the AARP/IRS internet site. We do have an additional internet 'hotspot' 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 multiple visits by an IRS auditor during the tax season and we 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 for appointments, the IRS office at Greenfield, the PA Department of Aging, and the United Way refer taxpayers to our office. We also have referrals from a few 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, Woodcrest Village, and Grace Community Church of Willow Street. For the first time this year, we opened a site at Grace Community Church and we did 98 returns there. All satellite sites take appointments. Our volunteers at the Willow Valley Retirement Community provide technical support for the internet and work out any issues determined through the IRS tax return acceptance process. This includes dealing with the complexities of official taxpayer and dependent names in the IRS database.

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 is no estimate of the utility and infrastructure costs being incurred by the church. This Ministry uses a waiting area and three classrooms for operations.

The materials such as training books, toner and paper are provided by the AARP Foundation, so there is no impact on the church budget for these “consumable” items. The computers and printers have been donated locally or have been provided by the AARP Foundation. All training materials are designed by the AARP Foundation working with the Internal Revenue Service. This is part of a national effort by the AARP Foundation to support senior citizens.

THE AARP TAXAIDE FINAL 2015 REPORT

In total, we served roughly 4085 clients with 2754 Federal accepted efiles as reported by the IRS. Included in the total number served are clients who filed many state-only returns (PA and other states), paper federal, amended, and prior year returns. In addition, we get some consulting questions from clients who are doing their own returns. (None of this volume is officially counted in the final efile total.) The number of electronically filed returns increased 6.4 percent over last year, primarily because of opening a new site at Grace.

Some Individual site Statistics:

SITE	Fedefile (#)	Served (#)	Avg AGI	Refunds (\$)
Brethren Village	145	182	21,080	73,105
Columbia **	207	297	20,522	103,207
FUMC ***	1604	2354	20,311	1,638,039
Grace	98	162	34,721	112,684
Quarryville	333	508	19,118	185,945
WV Lakes	250	365	48,113	378,316
WV North	117	217	58,861	172,963
TOTAL	2754	4085	*****	2,664,259

**Includes a number of returns done at St. Anne's and John Herr Retirement Centers. (Columbia group relocated to accommodate TPs who were not mobile.)

***includes 48 returns done at Woodcrest.

Here are a few 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

“My parents have come there many years and now they just can't travel from their retirement community. I am the son with their POA, and I want to file for them, what can I do? (We sent the information form to their home for them to fill out and the son came in and he filed for them.)

HISTORICAL NOTE

The first year of operation was tax year 2007, and the prime mover and founder of this Ministry was June Wesbury. She had worked with VITA in Lancaster City for tax years 2005 and 2006, and wanted to do more for the community. She has been involved every year and tax year 2016 will be her tenth year of active leadership.

Submitted by Steve Franz
Member of the tax ministry team

Reviewed by June Wesbury
Tax Ministry Team Leader