

DAILY NEWS Boroughs

Nonprofits offer no-fee tax-prep

By Jimmy Vielkind

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Pay the tax man - but don't overpay.

Brooklynites paid \$107 million in fees and interest for tax preparation services in the past four years - the highest in the city, according to a new report.

With tax season in full swing, that dubious honor is prompting advocates to push free tax preparation services around the borough.

At particular risk of overpaying were people who lived in Brownsville, East New York, Flatbush, Canarsie, Bushwick and Bedford-Stuyvesant, according to report last month by the Neighborhood Economic Development Advocacy Project.

"In those areas of Brooklyn, there's heavy marketing and there just aren't many alternatives, really," said Chris Keeley, the group's community outreach coordinator.

Storefront preparers like H&R Block charge fees and offer high-interest refund-anticipation loans that Keeley said are sucking money out of poor communities.

"While it may be an individual getting charged 10% of their refund, it's also tens of millions of dollars from New York's poorest communities," he said, describing the loss as "extravagant."

Keeley urged taxpayers to take advantage of free services, like those offered by the Brooklyn Cooperative Federal Credit Union in Bushwick, which plans to help almost 2,000 people do their taxes this year.

"We provide the service free and encourage them to open a regular savings account," said Jack Lawson, chief executive of the credit union. "It's such a concrete, material benefit."

Lawson and others are also going to new heights to educate low-income filers about the Earned Income Tax Credit, which could yield a refund check worth several thousand dollars.

"We are going into neighborhoods, knocking on doors, making people aware of this and filing their taxes for them," said Peter Kostmayer, president of the Citizen's Committee for New York City.

His organization gave cash grants of \$6,000 to the Brighton Neighborhood Association, Coney Island Avenue Project, Northeast Brooklyn Housing Development Corp., Trinity Human Services Corp. and Chinese American Planning Council as part of its annual CashBack campaign.

"The impetus really is to put cash into the pockets of New York's working poor," he said.

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