

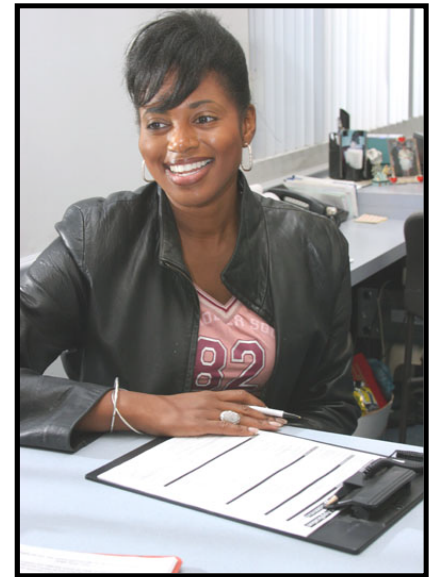
The light at the end of the tunnel

Orange County, CA

Like many hardworking people, Kelly struggles to stretch her paycheck far enough to cover the needs of her family. The rising costs of housing, health care, utilities and education have left many people, like Kelly, struggling to support themselves and their families, with no ability to save for college, a home or retirement.

Through the United Way *Financial Stability Partnership*, United Ways across the country offer individuals and families the tools necessary to attain and preserve assets, become more financially stable and achieve long-term economic independence. One of these tools – the earned income tax credit (EITC), a federal income tax credit available to eligible low-income working individuals – helped Kelly on her journey to financial independence.

By attending a free tax-preparation day hosted by Orange County United Way’s Somos Familia in partnership with Legal Aid Society of Orange County and the City of Santa Ana, Kelly received \$4,750 in earned income tax credits. Kelly was amazed at the amount she got back through the simple online process and was grateful to the helpful staff and volunteers.



Like United Ways across the country, United Way of Orange County has made helping families achieve financial stability a priority in their community. With a focus on ensuring all members of the community secure self-sufficient wage levels, attain safe and secure housing and have the opportunity for higher levels of education, United Way of Orange County leads their community towards greater financial stability and an improved quality of life.

The money Kelly received from the earned income tax credit allowed her to see a light at the end of the tunnel. Kelly is now able to pay off bills, purchase needed items for her children, place money in savings for her kids’ college education and also for her own continuing education to become a paralegal.

Kelly was one of 140 people who took advantage of the free tax days hosted by Orange County United Way, Legal Aid Society of Orange County and the City of Santa Ana, where individuals were educated on the filing process to receive earned income tax credits. In 2004, the most recent records available, **21 million people received earned income tax credits, returning \$39 billion to deserving workers like Kelly and their communities nationwide.** Moving individuals and families toward financial stability creates lasting changes in people’s lives. That’s what matters. That’s United Way.

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- Of those receiving an EITC, 63% use their tax credit to pay current bills or debt, 20% use it to gain assets such as vehicle, house or education and 12% use it to build savings.
- More than 38 million Americans have incomes below the federal poverty level. More than 50% of them are employed.
- Each year, more than \$30 billion in public benefits – like earned income tax credits – go unused, often because of confusion regarding eligibility requirements and lengthy application processes.