

Saving tax return money pays off big for Austin single mom

Posted: 7:09 p.m. Friday, May 2, 2014

By [Marissa Barnett](#) - American-Statesman Staff



Sharon Jones' phone rang two weeks ago with a welcome surprise: she had won \$25,000 for saving a chunk of her tax refund.

"I can't believe it, pinch me," she said Friday, staring at the check from Boston-based nonprofit Doorways to Dreams Fund.

The prize is part of the national Save Your Refund campaign, headed by D2D Fund, which partners with the financial industry, government agencies and nonprofits to help low-to-moderate income people with financial planning.

Jones heard about the campaign after filing her taxes at one of the five community tax centers in Austin.

For nine years, local nonprofit Foundation Communities has operated tax centers to help low income people file taxes and benefit from the available tax credits. More than 500 tax center volunteers, who are IRS certified in tax preparation, at five locations assisted 19,641 people in filing taxes in the most recent tax season, the organization said Friday. The efforts brought \$35 million in tax refunds to Austinites and the local economy, said executive director Walter Moreau.

A Brookings Institute study on Earned Income Tax Credit, a tax refund that low-income people qualify for, noted that 15 to 20 percent of eligible collectors do not claim the refund. That means millions of dollars are left on the table by eligible Travis County residents each year.

Moreau said the tax centers aim to help people with the sometimes confusing tax process and ensure they get the benefits they're eligible for, most notably the Earned Income Tax Credit. The

service also helps people avoid falling victim to predatory tax preparers who charge up to \$500 for their services.

This year, the average tax center client earned \$21,800 in annual income. Families who used the services received an average of \$2,000 in tax refunds, Moreau said.

The tax center volunteers entered the name of anyone who put part of their tax refund into a savings bond in the national drawing. Jones, of Northeast Austin, won the grand prize.

Jones, 37, is a single mother of two daughters, who are 18 and 20 years old. She works at Austin Community College and as a home health caregiver was eligible for the drawing because she purchased two \$50 savings bonds with her tax refund, one for each daughter, she said.

Jones, who is starting at the University of Texas this fall to earn a bachelor's degree in education, said she will use her winnings to pay tuition and finish the house she's building with the help of Habitat for Humanity. The rest will go to savings, she said.

Foundation Communities tax centers reopen in June. The centers also assist people in signing up for health insurance and applying for student financial aid. Location information is at www.foundcom.org.

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