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Southern Good Faith Fund and Southern Bancorp offer free income tax preparation services

Southern's Volunteer Income Tax Preparation (VITA) sites have processed more than \$1 million in 2007 tax year refunds; all sites open through April 15, 2008

LITTLE ROCK—Southern Good Faith Fund and its parent company, Southern Bancorp Inc. (“Southern”), held a news conference today to highlight the availability of free income tax preparation services to Arkansans with annual incomes of \$40,000 or less—a threshold that covers more than half of Arkansas households.

Southern, in partnership with the Internal Revenue Service, offers Volunteer Income Tax Assistance (VITA) at 10 locations in Arkansas and Mississippi. IRS-certified volunteer tax preparers file all returns electronically, speeding up the refund process, and determine whether participants qualify for the federal Earned Income Tax Credit (EITC) and Child Tax Credit. The most recent U.S. Census Bureau data indicates that 54 percent of Arkansas households have VITA-eligible incomes.

Income tax filers still have about one month left to file their state and federal taxes, which are due Tuesday, April 15, 2008. **Filing federal income taxes is required to receive the economic stimulus checks that will be distributed by the IRS starting in May 2008.** The stimulus payment will be \$300 to \$600 for individuals and \$600 to \$1,200 for married couples filing jointly; the actual amount received depends on how much if any 2007 income tax is owed. Taxpayers who are eligible for a stimulus payment may receive an additional \$300 for each child under age 17 as of Dec. 31, 2007. Full details are available at <http://www.irs.gov>

Participants in today’s news conference, held at Southern’s offices at Union Station in Little Rock, were Vivian Holder of Helena-West Helena, a VITA participant; Phillip N. Baldwin, President and Chief Executive Officer of Southern Bancorp; Angela Duran, President of Southern Good Faith Fund; and James E. “Jimbo” Boyd Jr., President and Chief Executive Officer of Southern’s bank in Phillips County, one of the Southern banks that offers VITA services.

Holder, a single mother of two children, has received VITA services every year since 2004, when Southern began offering the program. She said many Arkansans likely do not realize that they may qualify for free tax preparation services through VITA and don’t need to pay fees to have their taxes prepared and filed.

“Filing and preparing taxes can be time-consuming and intimidating, especially if you are a working family,” Holder said. “VITA makes it easy and helps make sure you get any tax refund that you are due.”

Southern offers VITA services through sites in Clark, Garland, Hot Spring, Jefferson, and Phillips counties in Arkansas and in four counties in western Mississippi. To date, more than \$1 million in 2007 tax year refunds has been processed through Southern’s VITA sites.

“Southern is proud to participate in the VITA program for the fourth consecutive year,” Baldwin said. “Our mission at Southern is building communities and changing lives. Helping working families file their taxes and receive refunds in an efficient, expeditious manner is one of the many ways in which we strive to achieve our mission.”

Duran said VITA program participants often discover that they qualify for other assistance and training offered by Southern Good Faith Fund, including credit counseling, business development, and matched savings accounts. Besides VITA, Holder’s long relationship with Southern Good Faith Fund includes participation in the Business Side of Child Care, a long-term training program, and saving money in an Individual Development Account (IDA) to pay for home repairs. Holder currently is working on starting a small business in the Delta to provide rental housing for low-income residents.

“We see VITA as a way not only to help working families get free tax preparation services, but also help people learn about other opportunities they may not have known about previously,” Duran said.

Boyd said Southern’s bank in Phillips County, which operates locations in Barton, Elaine, Helena-West Helena, Hernando, Miss., and Southhaven, Miss., sees VITA as opening the door to other financial opportunities.

“One of our long-term goals as an institution is to increase access to financial services in the communities we serve, and participating in the VITA program is one way toward reaching that goal,” Boyd said. “One advantage to establishing a banking relationship for VITA participants is that they can have their income tax return direct deposited, which allows them to get their refunds more quickly.”

Information on VITA locations is available online at <http://www.southerngff.org/vita> or by calling the IRS toll free at **1-800-829-1040**. VITA services at most locations are available by appointment only.

Information VITA participants should bring when seeking services includes the following, some depending on the participant’s individual circumstances, such as paying mortgage interest on a home or having dependent children:

- Social Security cards for themselves and their dependents
- Picture ID, such as a drivers license
- All W-2 forms
- 1099 Miscellaneous forms
- Forms 1098-T (out of pocket college payment)
- Forms 1098 (mortgage interest payment)
- Proof of day care payment from a day care provider
- 2006 tax returns and bank account information
- Interest income (from a bank)
- Statement of charitable/church contributions

Southern Good Faith Fund is a 501(c)(3) non-profit organization committed to increasing incomes and assets of low-income and low-skilled residents in rural communities. Southern Good Faith Fund, Southern Financial Partners, and Southern Community Development Corporation are affiliates of Southern Bancorp, a \$575 million rural development bank with banking operations in Arkansas and Mississippi.