

AccountAbility Minnesota launches LEAP to help parents pay for kids' educational summer activities

Written by

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Families will be able to fund up to \$2,000 of their children's educational activities this summer through a new program from AccountAbility Minnesota, with funding assistance through the Pohlad Family Foundation.

AccountAbility Minnesota, a nonprofit agency that provides free tax preparation and financial services to low-income taxpayers, has created Loans for Educational Activities Program, or LEAP. Through LEAP, qualified families can receive up to \$1,000 per child or \$2,000 per family for education programs and activities.

LEAP makes use of Minnesota's K-12 Educational Tax Credit, which provides a 75 percent credit of approved educational expenses, such as instructor fees for summer educational camps and programs, when income taxes are completed. Since many families cannot afford to initially pay for summer programs and wait to receive the credit until tax time, the Pohlad Family Foundation contributed \$50,000 to LEAP to provide immediate, no interest, no fee loans to families, which ultimately will be paid back using the K-12 Educational Tax Credit, ensuring that other families in the future can receive a similar benefit.

Families must pay 25 percent of the cost of the activities and must meet income eligibility guidelines, up to approximately \$37,000 per year.

"Minnesota has had a tax credit available to families for educational expenses for years, though few are aware of the credit or use it," said AccountAbility Minnesota Executive Director Bonnie Esposito. "With the Pohlad Family Foundation, we can bring immediate assistance to families wanting to enrich their children's summer."

"Now, more than ever, we know there are families who are struggling to meet their basic expenses, let alone education enrichment activities for their kids," said Marina Lyon, vice president of Pohlad Family Foundation. "That's why the Pohlad family has pledged funds to provide dollars right now to families so their kids can have these important educational experiences."

Interested families should contact Carin McClain with AccountAbility Minnesota at (651) 287-0187 ext.107 or CMcClain@accountabilitymn.org; staff will review the program and the previous year's tax return to ensure eligibility. AccountAbility Minnesota will assist families in filling out all necessary paperwork. Families must pay 25 percent of instructor fees and any ineligible costs associated with the summer program. An added benefit: AccountAbility Minnesota will help families complete their 2009 state and federal taxes free of charge in 2010.

"We are here to help low-income families navigate the tax system," said Esposito. "And now, with Minnesota's current budget deficit, no program is safe. We want to make sure that every eligible family takes advantage of this tax credit now, while it's still available."