

# Asset Development

More than a quarter of Americans are without assets – living paycheck to paycheck without savings or investments in equity, like a home or small business. The concept of asset development is that people escape poverty and become economically self-sufficient through savings and investment. The strategy sees that the buildup of assets is the key to improving the economic condition of low-income households.

Evidence shows that with training and incentives, even the lowest income Americans can break this cycle and begin saving and planning for a better future. Several key components of asset development are promoting financial literacy, Earned Income Tax Credit (EITC) and other benefits claims, access to free/reduced tax preparation services, and saving and investing in assets.

There are agencies in South Dakota that help to strengthen families by providing them with the financial skills and tools to build wealth. Referenced below are two of the many such agencies located in South Dakota.

Since 1984, Consumer Credit Counseling Services has provided free and low cost services including individual budget counseling, debt management, and community education. These services are specifically designed to help clients take control of their financial future. Currently CCCS has offices throughout South Dakota offering in-person and telephone counseling. Services also are available through on-line counseling (<http://www.lsssd.org/cccs/onlinecounselingandeducation.shtml>) or by mail. For more information, contact:

Consumer Credit Counseling Services  
705 East 41st Street, Suite 100  
Sioux Falls, SD 57105  
1-605-330-2700  
1-888-258-2227  
Fax: 1-605-357-0150

Consumer Credit Counseling Service of the Black Hills (CCCS/BH) was established as a non-profit agency in Rapid City, South Dakota in 1974 to help people overcome their financial obstacles and achieve their financial goals. CCCS/BH provides free and low cost services including financial assessments, housing services, bankruptcy counseling and education, family financial independence program, savings match, and debt management program. For more information, contact:

Consumer Credit Counseling Service of the Black Hills  
111 St. Joseph Street  
Rapid City, SD 57701  
1-605-348-4550  
1-800-568-6615  
[Clients@CCCSBH.com](mailto:Clients@CCCSBH.com)

These resources are only a few that are available. There may be others in your community.

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## Earned Income Tax Credit

If your earnings are low, you could be eligible for the Earned Income Tax Credit. Even if you pay no taxes, you may still get money back. Publication 596, "Earned Income Credit (EITC)", explains this credit.

Other helpful IRS publications include:

- Publication 502, "Medical and Dental Expenses"
- Publication 524, "Credit for the Elderly or the Disabled"
- Publication 907, "Tax Highlights for Persons with Disabilities"
- Publication 503, "Child Dependent Tax Credit"

## Free and Reduced Tax Preparation Services

Volunteer Income Tax Assistance (VITA) sites offer free electronic tax return preparation to people with low to moderate income. VITA sites are staffed by trained volunteers who are certified by IRS. These volunteers can answer your questions on a variety of tax subjects. Call 1-800-829-1040 for a VITA site near you.

Items you'll need to bring with you to obtain this free service are:

- Photo Identification.
- Social Security cards and birthdates for you, your spouse, and dependents.
- Wage and earning statements.
- Interest and dividend statements from banks.
- Copies of last year's federal tax returns.
- Bank routing and account numbers, if you want refunds deposited directly to your account.
- Total paid for day care.
- Day care provider's tax identification number.
- List of itemized deductions.
- Other information about your income and expenses.

*A publication of the Freedom To Work Project, affiliated with the Black Hills Special Services Cooperative and South Dakota Coalition of Citizens with Disabilities. Freedom To Work is a program of the State of South Dakota through the Department of Human Services, Division of Rehabilitation Services. Funding is provided through the Centers for Medicare and Medicaid Services. Grant # P-91485/8*