



RAISE TEXAS TOOLKIT: How to Secure Local Funding for VITA



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About RAISE Texas

Founded in 2007 as the first independent 501(c)(3) state asset-building coalition in the country, RAISE Texas brings together nonprofits, financial institutions, universities and colleges, public agencies, and community leaders to support financial health and expand asset building for low- and moderate-income families and communities in Texas. For more information about RAISE Texas, visit raisetexas.org.

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Acknowledgments

RAISE Texas would like to thank the following for their support of this toolkit: JPMorgan Chase, Share Our Strength, and The University of Texas at Austin RGK Center for Philanthropy and Community Service. We would also like to thank Guadalupe Cantu, CONNECT Fellow, for her contributions to this project.

This toolkit is based on the experience of community leaders across Texas who have successfully received city and/or county support for Volunteer Income Tax Assistance (VITA). RAISE Texas greatly appreciates the following leaders for graciously providing their funding stories and insights to inform this toolkit:

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This RAISE Texas toolkit is made possible by support from:

JPMORGAN CHASE & CO.



Research to Support Your Case for VITA Funding:

The Value of the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC)

EITC Is a Powerful Tool

The Earned Income Tax Credit (EITC) was first enacted in 1975 under President Gerald Ford as a federal tax credit for working people with low and moderate incomes. Legislative changes over the past 45+ years have made EITC one of the federal government's largest anti-poverty programs (Congressional Research Service, 2022). While EITC benefits low-income people of all races and ethnicities, it is particularly beneficial in historically excluded Black and Latino communities where discrimination in the labor market and inequitable educational systems, along with other inequities, have led to a disproportionate share of people in low-wage jobs (Davis, 2022). Research shows that families mostly use EITC to pay for necessities such as food and housing, and in some cases, for education or training to boost their job prospects and earning potential (Despard et al., 2015).

EITC Reduces Poverty

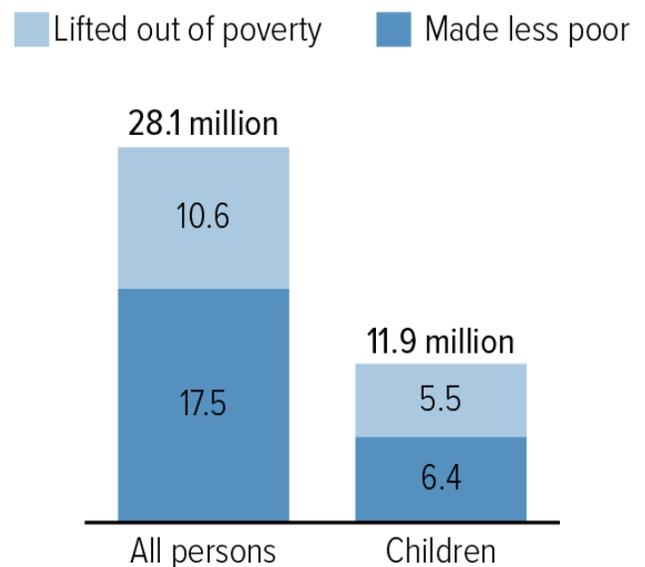
EITC reduces poverty by supplementing the earnings of workers paid low wages and offsetting some of the taxes they pay. An analysis of 2018 census data by the Center on Budget and Policy Priorities (CBPP) shows that EITC lifted 5.6 million people above the Supplemental Poverty Measure (SPM), including nearly 3 million children. Note that CBPP's poverty estimates are based on 2018 data, the latest pre-pandemic year with reliable data, because temporary relief provided during the pandemic substantially influences these figures (Washington, 2019; CBPP, 2023).

EITC Benefits Children

The effects of EITC have been studied for decades, and its positive impact on children is

Earned Income Tax Credit and Child Tax Credit Have Powerful Anti-Poverty Impact

Millions of people lifted out of poverty or made less poor by EITC and Child Tax Credit, 2018



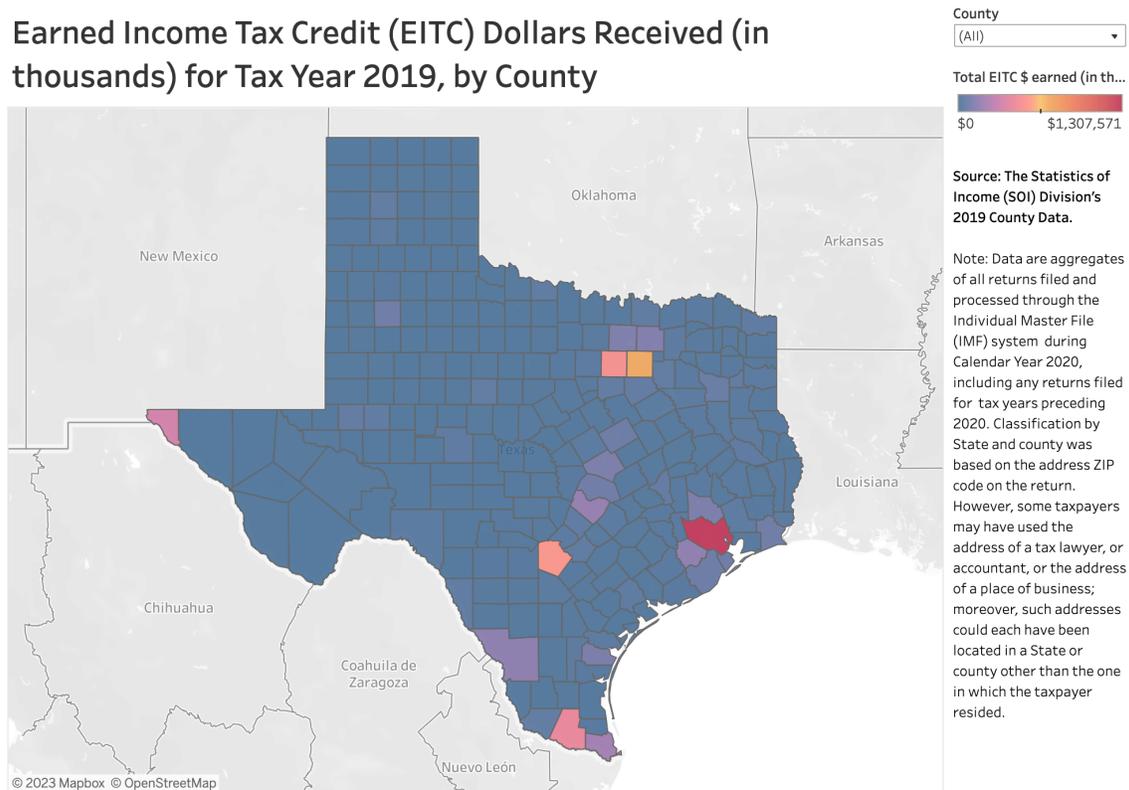
Note: These figures use the Supplemental Poverty Measure. Unlike the Census Bureau's official poverty measure, the SPM counts the effect of non-cash government programs like housing and food assistance, and tax credits.

Source: CBPP analysis of Census Bureau March 2019 Current Population Survey.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

undeniable (Maag et al., 2021). The research consistently shows that children whose household income increased with EITC do better in school and are likelier to attend and complete college and be employed as young adults (Marr et al., 2015). The Centers for Disease Control and Prevention identifies EITC as an intervention addressing the social determinants of health, citing research that shows EITC can improve public health, especially for children and mothers (CDC, 2022).

Earned Income Tax Credit (EITC) Dollars Received (in thousands) for Tax Year 2019, by County



Texans received over **7.4 billion dollars** in EITC payments for tax year 2019.

Landscape in Texas

As prices continue to rise while minimum wage remains unchanged, it is critical that low- and moderate-income families in Texas have access to additional income to be able to cover their expenses. This heat map created by Every Texan, shows the amount of EITC dollars received by Texas counties. **For interactive versions of this map by county and by zip code visit the [VITA resources page](#) on the RAISE Texas website.**

Recent research suggests that EITC participation is higher in areas with more tax preparers, who may promote greater local awareness of the credit (Calame, 2022). While individuals who use tax preparers are more likely to receive EITC, they may face significant fees that blunt the credit's overall impact. Expanding access to volunteer tax preparation services or to simple, free online filing helps to preserve the credit's value for low-income families and their communities (Calame, 2022).

The local impact of EITC also depends on whether eligible workers and families file tax returns and claim the credit. The IRS estimates that twenty-one percent of those who were eligible to receive EITC nationally in tax year 2019 did not claim it (IRS, 2022). Additionally, there is likely considerable variation in who claims EITC at the local level, based on the population and location (Berube et al., 2015). Research supports the value of funding and growing VITA programs. Specifically, efforts to increase participation locally will increase the level of investment communities receive from tax credits designed to support eligible workers and families.

Research has identified several factors associated with EITC participation rates among the eligible population. Eligible filers less likely to claim the credit include those who live in rural areas, are self-employed, do not have qualifying children, do not speak English

well, are grandparents, or recently changed their filing status (Berube et al., 2015). Many communities in Texas fall into these categories. For example, Texas has the nation’s largest rural population, with 3 million living in rural areas that span the entire state. (Kinder Institute, 2023; Texas 2036, n.d.).

The Importance of the Child Tax Credit

Enacted in 1997 and expanded multiple times with bipartisan support since 2001, the Child Tax Credit (CTC) helps families manage the cost of raising children. For the 2022 tax year, the credit was worth up to \$2,000 per eligible child. For 2021 only, the American Rescue Plan Act (ARPA) increased the maximum credit amount to \$3,600 for children under age 6 and \$3,000 for children aged 6-17; made the credit fully available to children and families

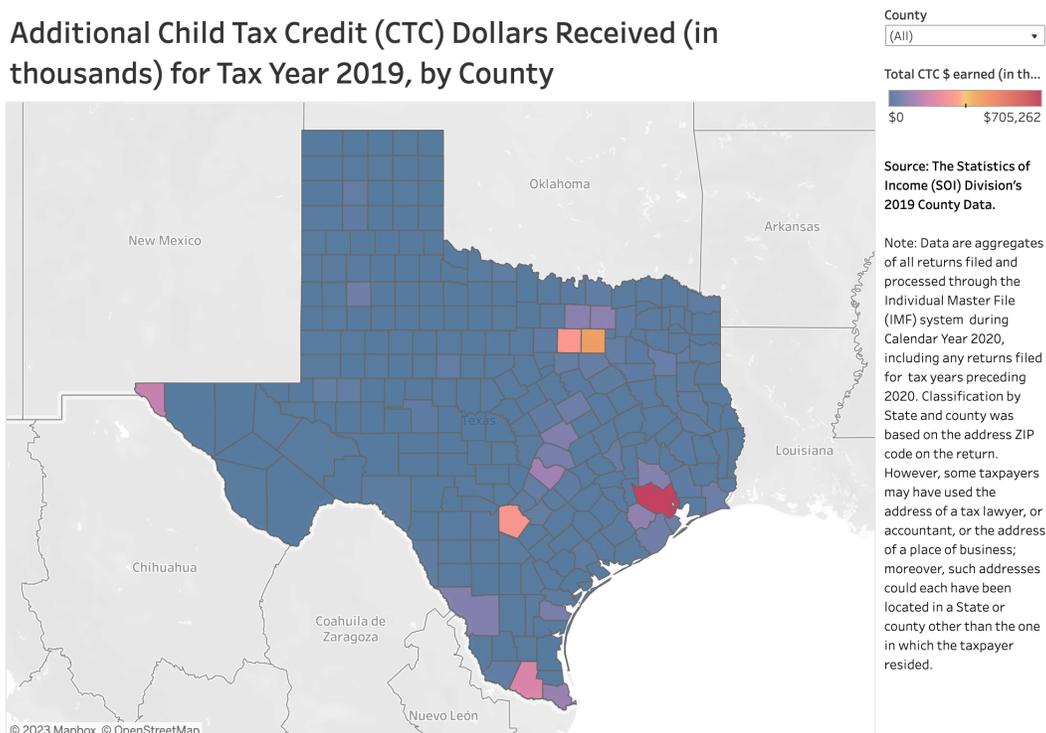
with low incomes; included 17-year-olds for the first time; and issued half of the credit through advance monthly payments (CBPP, 2022).

Despite its shortcomings prior to ARPA and under current law, CTC has been a powerful tool to help families lift themselves above the poverty line. In 2018, CTC lifted approximately 4.3 million people above the poverty line, including about 2.3 million children, and lessened poverty for another 12 million people, including 5.8 million children. The credit lifts even more families with children above the poverty line when combined with EITC (CBPP, 2022). In 2018, together EITC and CTC lifted 10.6 million people above the SPM poverty line and made poverty less severe for 17.5 million. (Washington, 2019; CBPP, 2023)

This map of Texas shows the density of the amount of CTC dollars received per county.

For interactive versions of this map by county and by zip code, created by Every Texan, visit the [VITA resources page on the RAISE Texas website](#). Unsurprisingly, CTC has a similar distribution to EITC in Texas, where rural communities are less likely to claim CTC.

Additional Child Tax Credit (CTC) Dollars Received (in thousands) for Tax Year 2019, by County



Texans received over **4 billion dollars** in additional CTC payments for tax year 2019.

Resources to Support Your Case for VITA Funding:

In-kind Donations

While monetary financial support is ideal, consider asking for in-kind services to support your VITA program. The following are examples of helpful in-kind services:

- Print fliers and/or signage for your program.
- Print and/or mail postcards to all previous VITA clients.
- Donate boxes of paper, pens, or other necessary office supplies.
- Place an ad in a local paper on behalf of your program (This ad is sponsored by).
- Place a radio ad on behalf of your program (This ad is sponsored by).
- Assist with recruiting volunteers.
- Allow staff to volunteer during work hours for a set number of hours during tax season (consider using volunteers for greeters, intake, and interpreters if the time commitment for tax certification is a barrier).
- Provide physical space and/or computers for a VITA site or volunteer training sessions.
- Host a volunteer kick-off event in the fall or an end-of-tax-season appreciation party.
- Promote VITA services to their employees and/or customers/clients.
- Sponsor snacks or meals for volunteers.
- Sponsor snacks (preferably non-crumbly) for clients who are waiting for tax assistance.

National Funding Opportunities	Description	Your Notes: Where have you applied? Received funding? Next steps?
<u>IRS VITA Grant</u>	The IRS VITA grant application is generally due in May. The grant is available to nonprofits, local government agencies, post-secondary educational institutions, Indian tribal governments, and regional, statewide, or local coalitions. A RAISE Texas resource on past IRS funding amounts is available on our <u>website</u> .	
<u>Minority Health Grant</u>	In 2020, the Office of Minority Health Grant offered a 3-year grant to determine whether implementation of EITC outreach and education activities in communities can result in increased EITC receipt and changes in risk and/or protective factors for adverse childhood experiences. Watch to see if this grant opportunity is offered in 2024.	
<u>Low Income Tax Clinic Grant</u>	Low Income Taxpayer Clinics (LITC) receive a matching grant from the IRS to represent low-income individuals who have a tax dispute with the IRS and to provide education and outreach to individuals who speak English as a second language (ESL). A RAISE Texas resource on past IRS funding amounts is available on our <u>website</u> .	

Local Funding & Partnership Opportunities	Questions to Ask: Where do we have existing relationships? Could they provide in-kind services that would be helpful? What would appeal to this funder? What are their potential funding sources?	Your Notes: Where have you applied? Received funding? Next steps?
City and County	Ask about potential funding from these sources: <ul style="list-style-type: none"> • General Fund • Council Discretionary Funds • Community Development Block Grant (CDBG) • Community Services Block Grant (CSBG) • American Rescue Plan Act (ARPA) funds (must be obligated by end of 2024 and spent by end of 2026) 	
Financial Institutions	National banks, regional banks, community banks and credit unions are often interested in supporting VITA. Talk to financial institutions in your community about supporting your program.	
Local Businesses	Local businesses with large numbers of employees or clients who are eligible for VITA are great outreach partners. Consider asking businesses to print and distribute a co-branded flier that promotes your VITA services to their employees.	
Educational Institutions	Several Texas VITA programs partner with high school and/or college classes to provide a fulfilling service-learning opportunity, while also benefiting from required volunteer hours from students. Reach out to RAISE Texas if you are interested in learning more.	

Value of City and County Funding

Receiving funding from local city and/or county governments allows VITA programs to create a more reliable service infrastructure for what traditionally is a volunteer-driven framework. Most programs use local government funding to support paid staff during tax season and/or full-time, year-round staff, depending on the amount of funding received. This minimizes gaps in service delivery and can help support year-long access to tax assistance.

Current City and County Funding

While very few VITA programs in Texas have received city or county funding, most programs we interviewed had not considered that as a potential funding source. The following Texas programs are currently receiving city and/or county funding:

Program	Funder	2021	2022	2023	2024	2025
San Antonio VITA Coalition	City of San Antonio	\$550,000	\$550,000	\$550,000		
Foundation Communities (Austin)	City of Austin	\$137,000	\$137,000	\$137,000		
Foundation Communities (Austin)	Travis County	County prints marketing materials and provides ASL interpreters (Estimated value of \$15,000)				
Foundation Communities (Austin)	City of Round Rock	\$15,000	\$15,000	\$15,000		
Foundation Communities (Dallas)	City of Dallas	\$200,000	\$200,000	\$400,000	\$400,000	
BakerRipley	Harris County		\$500,000	\$890,000	\$690,000	\$490,000
Eagle Pass	City of Eagle Pass	\$5,000	\$5,000	\$5,000		

Unicorn in Texas

VITA San Antonio is the only program in Texas that is largely funded and administered by local government. The City of San Antonio allocates \$550,000 and operates VITA through a three-member coalition with the United Way of Bexar County and Catholic Charities of San Antonio (CCSA). CCSA receives an IRS VITA Grant (\$195,855 in 2023) and a grant from United Way of Bexar County that supports volunteer outreach, recruitment and training and 3 full-time staff (Program Director, Site Coordinator, Volunteer Coordinator). In addition to the grant to CCSA and internal staff support, United Way of Bexar County invests \$25,000 in site operations and \$25,000 in VITA marketing and public relations.

Securing Local Funding

Steps to Secure Local Funding:

1. Identify key demographics that are meaningful to local government officials.
2. Use program data to tell a powerful story.
3. Build your case for funding.
4. Identify champions, make connections, and build support.
5. Pursue local funding opportunities.

STEP 1: Understand Key Local Demographics

To explain how funding VITA benefits your community, you will want to have a solid understanding of who you serve, how that compares to local demographics, and how maintaining or growing your program will impact the local economy.

Demographic details can be obtained from the U.S. Census [website](#) and this [resource](#) from the Texas Association of Counties (txcip.org/tac/census/CountyProfiles.php).

Population percentages as of (____year)	% by City, County, or Region (either your service area or the areas applicable to the local funding requirements)	Look at your clients: what are the racial/ethnic percentages? How does that compare to your targeted service area?
White, non-Hispanic		
Black / African American		
American Indian / Alaskan Native		
Asian		
Native Hawaiian / Other Pacific Islander		
Hispanic / Latino		
Two or More Races		
Other		

If your percentages are similar to the target area, you can make the case that the population you serve reflects the community and that you are effectively reaching different demographics within your service area. If the population you serve is more targeted, you can make the case that you are effectively reaching specific communities within the larger population. This data is also helpful to demonstrate who you are currently reaching and what opportunities for expansion may be a good fit for local funding.

Households Experiencing Financial Hardship in Your Community

Data on the local population living below the poverty line is helpful to show who will benefit most from free tax assistance and claiming the full EITC and CTC. You can find this information by county using this [U.S. Census data tool](#) or this report on [High Poverty Areas by County](#) from the Texas Workforce Commission. Consider looking at multiple years to demonstrate possible trends.

United Way's [ALICE](#) (Asset Limited, Income Constrained, Employed) incorporates households that are earning above the Federal Poverty Line yet struggling to afford basic expenses. Due to income and asset limits, most ALICE households are not able to participate in public assistance, and additional barriers, strict program requirements, and stigma prevent many households in poverty from participating. The tools available on unitedforalice.org are helpful when talking about the need for additional income support that the tax credits could provide. EITC and CTC could effectively help ALICE households as well as households below the poverty line have enough

income to meet basic needs. In contrast, traditional public assistance is more limited and does not reach many households that are struggling financially. Take advantage of this United Way [resource](#) for data on ALICE households in your community.

The Economic Innovation Group’s Distressed Communities Index has an [interactive map](#) that also helps illuminate ground-level disparities in Texas communities.

Use the chart below to put real numbers on the households in your community that need additional income support to meet basic needs. Chart multiple years to identify possible trends.

Geographic Area:				
Year	Households in Poverty	ALICE Households	Percentage in Poverty	ALICE Percentage

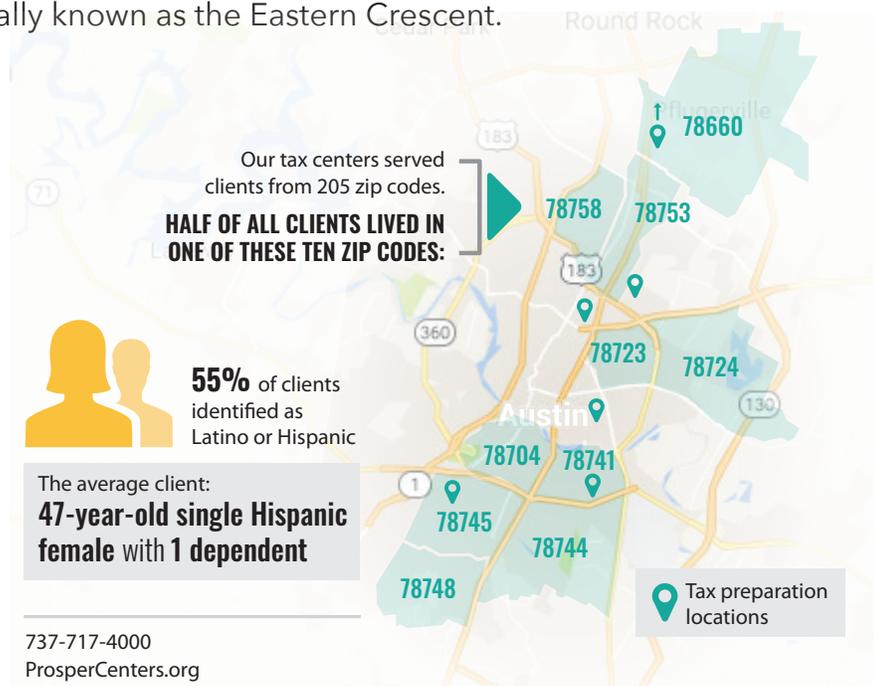
Zip Codes with Highest Levels of Poverty

Many local governments in Texas are seeking to improve resources and support for families in specific zip codes with high poverty rates. If that is the case in your community, your VITA program can help connect the dots with data on how many families you have served in those zip codes and the value of reaching more families through more outreach and/or tax sites in those zip codes.

Austin Spotlight

In their [2022 Filing Season Summary](#), Foundation Communities highlighted how they serve under-resourced zip codes in Austin, locally known as the Eastern Crescent.

Questions to Ask: What other data or information is pertinent to your potential funder? What else do you need to paint the picture of how you serve families who can benefit from VITA?



STEP 2: Use Program Data to Tell a Powerful Story

Along with highlighting the number of tax returns prepared, total refund amount, amount of EITC claimed, and amount of CTC claimed, use your data to tell a powerful story. Below is a list of ways to use the tax data you collect. See examples of effective storytelling reports in our Appendix.

- Demonstrate that you are effectively reaching families in under-resourced areas in your community.
 - » Share the number of households you served by zip code or voting district.
 - » Use a map to show that a significant percentage of your clients came from specific zip codes.
- Disaggregate data by council member districts. See the links below to the maps that Community Tax Centers in Dallas used to receive city funding.
- Share that you served residents from X number of zip codes or the clients you served spoke X number of different languages to demonstrate your broad reach.
- Describe your average client: age, income, household size, and race/ethnicity.
- Provide a year-to-year comparison to show how your program is recovering or has recovered from the impacts of COVID and is positioned for future growth.
- Show how you are serving lower-income families through an AGI breakdown of households you served: x% under \$10k, x% between \$10k and \$20k, etc.
- If you ask clients how they plan to spend their refund, share the results.
- Talk about the tax preparation fees you saved clients. For comparison, use this [2022 report](#) on the high cost of tax filing from the Shift Project or the National Society of Accountants' Income and Fee Survey.
- Emphasize how your community has/could have access to year-round trusted services for IRS letters, amendments, and other tax issues. The IRS doesn't stop working after April 15!
- If you prepare ITIN applications for clients, highlight the impact of including immigrants in the tax system.
- If you partner with or provide a Low-Income Taxpayer Clinic (LITC), describe how you connect clients with assistance for tax disputes.

Dallas Spotlight

In 2021, Community Tax Centers in Dallas, a program of Foundation Communities, created an interactive map for city council members that highlights the impact of VITA in each zip code and council district. Visit the RAISE Texas webpage with VITA resources to download the [Interactive City Council and Zip Code Map](#) designed by Sofía Sánchez-Morales.

The interactive map includes:

1. Number of tax returns e-filed plus paper returns and amended returns
2. Total number of individuals in each household served
3. Total refund dollars by zip code
4. Total CTC dollars by zip code

COMMUNITY TAX CENTERS
A Program of Foundation Communities

DALLAS COMMUNITY TAX CENTERS

2021 Interactive DFW Zip Code Map

To launch our interactive 3D map, please follow these instructions:

1. On the toolbar, please select "INSERT"
2. On the "Tours" category, please select "3D Map"
3. In the options, please select "Open 3D Maps"
4. When prompted to launch, please select Tour 1.
5. This will immediately launch our 3D Map in another window.

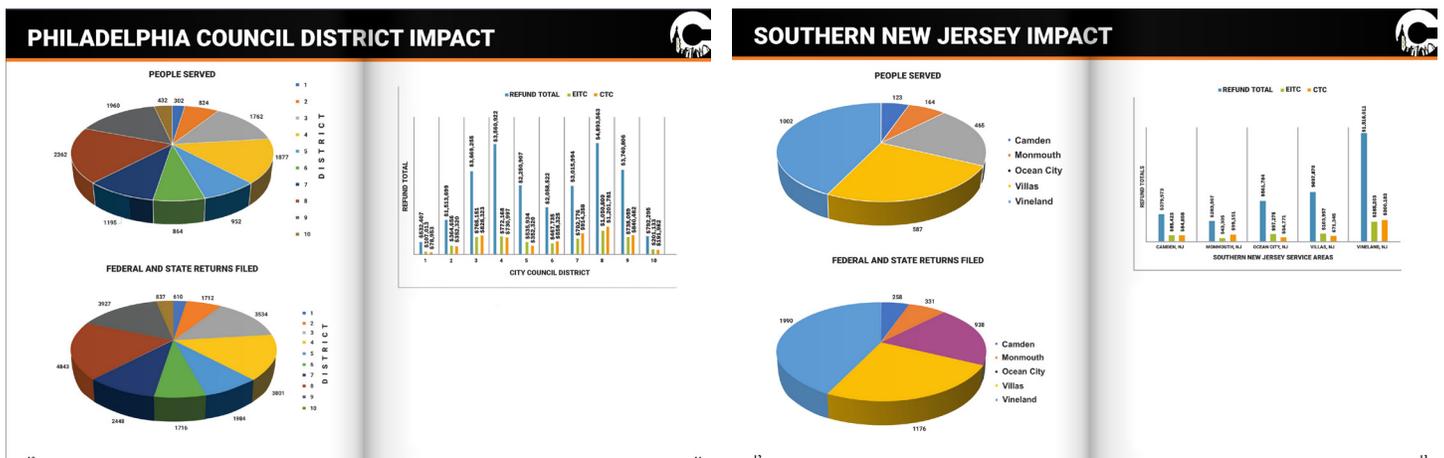
Please note:

- You are able to move the text box labels, these legends are available to demonstrate current city council districts.
- There are navigation controls in the bottom right corner that you may utilize to move the map and zoom in or out. You can also navigate throughout the map using your mouse.
- To bring up data regarding a specific zip code, please click or hover over the area you would like to know more about.

f DCTC **www.DallasTaxCenters.org** **📞 214-370-9353**

Spotlight on Campaign for Working Families in Philadelphia

[The Campaign for Working Families 2022 Annual Report](#) provides a great example of how to portray VITA's impact in a way that will speak to elected officials. The report includes the impact in each council district and in the different cities served by the program. The report also highlights the impact of the Philadelphia Prison Project that helped eligible prisoners receive their economic stimulus payments. Find the full report here: flipsnack.com/funtimesmagazine/cwf-annual-report-print-layout.html.



Step 3: Build Your Case on the Value of VITA to the Local Community

The research shows that EITC and CTC have a significant role in reducing poverty. In doing so, these tax credits have a ripple effect that multiplies the benefits to families and communities. Additionally, VITA sites maintain the highest accuracy rate in the industry, significantly higher than paid preparers (Robertson, 2022). VITA funders are helping build the local economy by helping families claim and keep all of their tax credits through quality, free tax preparation services. Local funding for VITA achieves the following:

- Leverages the nation's greatest anti-poverty tool.
- Leverages federal dollars for VITA, if your program receives an IRS VITA grant.
- Leverages financial and in-kind support from other funders.
- Leverages a team of volunteers providing free tax preparation services that cost families an average of \$220 (in 2022) if they went to a paid preparer.
- Boosts the incomes of workers in low-wage jobs.
- Saves community members costly tax preparation fees that can be allocated to meet other basic needs.
- Helps families avoid costly mistakes on their return that could result in penalties or fines.
- Reduces the burden on other social programs.
- Strengthens financial stability of low- to moderate-income households.
- Provides a multiplier effect for every \$1 of EITC that reaches the pockets of local taxpayers.

What is the Multiplier Effect?

California State University researchers described the local economic impact of EITC refunds as the sum of direct effects (EITC recipients spending their refunds), indirect effects (business spending in response to EITC recipient spending), and induced effects (changes in household income and spending patterns caused by direct and indirect effects). Together, these effects represent the local "multiplier" effect (Berube et al., 2015).

EITC recipients present an economic opportunity to a community by increasing the purchasing power of residents and creating a multiplier effect on the local economy. In the early 2000s, several "multiplier effect" studies measured the effect of the EITC in various ways. These studies, although dated, demonstrate that every \$1 of EITC realized by local taxpayers generates valuable local economic activity:

\$1.58 in San Antonio (Texas Perspectives, Inc., for City of San Antonio, 2003)

\$1.07 in Nashville (Vanderbilt University, 2006)

\$1.40 in Fresno (California State University, 2007)

\$1.67 in Michigan (Anderson Consulting Group, 2009)

Citing a 2008 report by the United States Conference of Mayors, a California State University Northridge (CSUN) VITA program explained, “Economists suggest that every increased dollar received by low- and moderate-income families has a multiplier effect of between 1.5 to 2 times the original amount, in terms of its impact on the local economy and how much money is spent in and around the communities where these families live.” The CSUN VITA program then used the conservative estimate that for every \$1 in EITC funds received, \$1.50 ends up being spent locally and calculated the effective gain of their program that year through EITC dollars alone ([CSUN VITA Clinic Annual Report](#), 2017). Whatever the exact multiplier findings, the conclusion is the same—EITC is good for individual household finances and your local economy. All the CSUN VITA Clinic reports are available here: csun.edu/bookstein-institute/csun-vita-clinic/annual-reports.

VITA’s Return on Investment

VITA is unique in its ability to demonstrate a significant return on investment (ROI) of local funding within a single tax season. Back in 2005, the Community Initiatives Department of the City of San Antonio used the following chart to demonstrate how investing in VITA is a strategic public policy that provides a significant return on investment:

Generating Resources Return on Investment Approach			
	2003	2004	2005
City Council Investment	\$86,000	\$121,000	\$141,000
# of Sites	12	16	16
# of Completed Returns – City Sites	9,537	15,200	19,388
Total # of Returns by Coalition	12,500	20,850	25,000*
\$\$ Returned to Families – City Sites	\$12 million	\$22.3 million	\$30 million
Total \$\$ Returned by Coalition	\$21.8 million	\$30 million	\$39 million

*Estimate: all Coalition data has not been collected

There are several ways for VITA programs to demonstrate ROI and impact of funding:

- Cost per return. Divide the number of returns prepared by the cost to run the program. How does that compare to the average refund amount clients receive? How does your cost per return compare to the average tax preparation fees you are saving clients?
- EITC dollars claimed. EITC can only be claimed by filing a tax return and boosts income for lower-income families. Additionally, these dollars stay in the local economy and create a multiplier effect.
- EITC Multiplier Effect. As mentioned above, EITC has a multiplier effect, with every EITC dollar claimed adding \$1 to \$2 in local economic activity.
- Sales Tax. The increase in income and spending power brings in additional sales tax revenue for local government.

Use the table below to calculate your program’s impact on the local economy:

1. Collect data points for number of returns, net refunds, EITC claimed, etc.
2. Estimate your increase in tax returns over time as a percentage.
3. Using net refunds, calculate the sales tax revenue for the local economy.
4. Multiply EITC dollars claimed by \$1 to \$2 to get an estimated EITC multiplier effect. Using \$1.5 as a multiplier is a reasonable estimate.
5. Add the EITC multiplier effect and city sales tax to demonstrate the local economic impact, when applicable.

	Year 1	Year 2	Projected Year 3	Projected Year 4	Projected Year 5
Investment by Funders					
# Returns					
% Increase <i>(Year 2 - Year 1)/Year 1</i>					
Net Refunds <i>(Gross Refunds - Balance Due Returns)</i>					
1% City Sales Tax <i>(Net Refunds *.02)</i>					
EITC \$ Claimed					
1.5 Multiplier Effect <i>(EITC Claimed *1.5)</i>					
1% City Sales Tax + 1.5 Multiplier Effect					

Sample Talking Points for Your Story

- Supporting this work is good public policy because it leverages local resources to bring in federal dollars that benefit a targeted population and our local economy, while also reducing the burden on local social services.
- Helping our residents claim EITC and save millions in tax prep fees presents a tremendous opportunity and provides a significant return on investment for our community.
- An investment of \$x will help us leverage federal dollars (if your program receives a VITA grant) and generate \$x million in refunds for families earning less than \$50,000 a year.
- This program enhances the well-being of the community, puts dollars in pockets that need them most, benefits employees struggling with the cost of living in our community, and has a tremendous return on investment.

Putting it all together

Here is a sample pitch to give you an idea of how to make your case for funding:

Our VITA program presents a compelling case for government support given the impact on the local economy and sales tax receipts. This is a politically popular program in other cities and is an important service for constituents that can be provided at a relatively low cost. The cities of San Antonio, Dallas, Austin, Round Rock and Eagle Pass all provide funding to support free tax preparation services. A \$\$\$ investment from the city will help:

- Lift thousands of households and children above the poverty line, reducing the burden on other social services.
- Bring an estimated \$11 million in refunds into our economy within the next 12 months, and more than \$60 million in refunds into our local economy and the households of low-income working families over the next 5 years.
- Leverage hundreds of volunteer hours, in-kind support and other investments in this work.
- Provide a return on investment in city sales tax receipts plus an economic impact equivalent to at least 1.5 times the amount of EITC dollars claimed.

Essentially, if you invest \$\$\$ into our program, in Year 2 we will turn that investment into \$11 million in refunds, \$110,000 in city sales tax revenue, and more than \$3 million in local economic activity from the EITC dollars claimed.

	Year 1	Year 2	Year 3	Year 4	Year 5	Impact Over 5 Years
# Returns	5,000	5,500	6,050	6,700	7,370	30,620
% Increase		10%	10%	10%	10%	
Net Refunds	\$10,000,000	\$11,000,000	\$12,000,000	\$13,000,000	\$14,000,000	\$60,000,000
1% City Sales Tax	\$100,000	\$110,000	\$120,000	\$130,000	\$140,000	\$6,000,000
EITC \$ Claimed	\$2,000,000	\$2,300,000	\$2,500,000	\$2,800,000	\$3,000,000	\$15,100,000
Impact with 1.5 Multiplier Effect	\$3,000,000	\$3,450,000	\$3,750,000	\$4,200,000	\$4,500,000	\$22,650,000
1% City Sales Tax + 1.5 Multiplier Effect	\$3,100,000	\$3,560,000	\$3,870,000	\$4,330,000	\$4,640,000	\$23,250,000

STEP 4: Identify Champions, Make Connections, and Build Support

Now that you have built a case for funding, identify champions who may be able to help advance your quest for local government funding.

Identify Champions	Who can help you improve or strengthen your case for funding? Who can help you tell a powerful story? Who has an understanding of how your local government works?
Volunteers	
Clients	
Board Members	
Partner Organizations	
Funders/Donors	
Other	

Make Connections

Get to know your city council members and county commissioners. Start with setting up meetings with local officials and/or their staff, focusing on representatives of lower-income communities who will benefit the most from VITA services. Remember that the staff working for elected officials can be helpful and influential in advising the elected official. Most importantly, do not give up and do not get stuck on one entry point. Work to make sure all your local officials are aware of and educated about your services. Make annual rounds with city and county officials to share the results of your tax season, regardless of whether you have received local government funding.

Tips for Connecting with Elected Officials

Remember that serving the public and meeting with constituents is core to their job. When making the initial phone call, do not be discouraged if the staff member who answers wants to call you back or promises to respond via email. If they do not get back to you within a few days, simply follow up with another phone call or send an email to document your effort.

Email Tips for Communicating with Elected Officials and their Staff:

- Succinctly explain how the issue impacts the official's constituents.
- Use the first sentence to explain the issue and why you are writing.
- If you know the official or spoke with him/her recently, mention that early in the email.
- Always request a response.

Exercise Citizens Communications

If you find it difficult to form strong connections or secure a meeting, then another option is to attend city council or county commissioner meetings in person. Identify which meetings have a Citizens Communication or similar segment that is open for public comment, often with a time limit of 3 minutes. The City of Fort Worth's website has helpful tips on how to make a successful presentation to city council.

Insider's Perspective: Guadalupe Cantu, CONNECT Fellow, Master of Public Affairs Candidate at The University of Texas at Austin

"I served as the assistant to Webb County Commissioners for two years. If you were to visit our office, you would mostly encounter staff, as elected officials are often attending meetings and events. Speaking from experience, staff are the backbone of elected officials' offices, as they are the ones who organize calendars, provide background information on policies and projects, and speak directly with constituents most of the time. Do not hesitate to connect with and educate staff about your issue, just as closely as you would with an elected official."

Build Support

Once you land that initial meeting, come prepared to make your case. Local government officials and their staff are always busy, so present your information succinctly and directly. Prepare a simple one or two-page handout with key data points, including how many of their constituents you have served, refunds claimed in that precinct/district, and what the ROI looks like using the tools above. See the Appendix for samples.

Emphasize the information that is most relevant to their priorities. For example, if their district has a high poverty rate, emphasize how expanding VITA sites in their district would benefit constituents and the community.

STEP 5: Pursue Local Funding Opportunities

The case studies below demonstrate the importance of asking elected officials and staff about funding opportunities. In your meetings, explore the possibility of funding from the following sources:

- General Fund
- Council Discretionary Funds
- Community Development Block Grant (CDBG)
- Community Services Block Grant (CSBG)
- American Rescue Plan Act (ARPA) funds (must be obligated by end of 2024 and spent by end of 2026)

Pay Attention to the Budget Cycle

Typically, the fiscal year for local governments begins October 1, which means the initial budget drafting begins in the spring and continues through the summer. Initial meetings for funding requests should start as early as February if you want your program to be considered for funding in the next budget cycle. However, as the case studies below demonstrate, money can become available at different times during the year, so take advantage of opportunities throughout the year to remind elected officials about the value VITA adds to the community.

Take Advantage of Opportunities to Connect with Local Elected Officials

JANUARY Invite local elected officials to a press event to kick-off tax season. Ask your local elected officials to promote VITA services in their communications.

FEBRUARY Invite local elected officials to visit your tax sites during your busiest times so they can see your volunteers in action and better understand your work.

MARCH Schedule meetings with city council members and county commissioners for May, when you know you will have tax season results ready to share. See the Appendix for sample reports.

APRIL Consider inviting local elected officials to your volunteer appreciation event. It is an opportunity for elected officials to express their appreciation for your volunteers while also learning more about your program.

MAY Meet with city council members and county commissioners to share the results of your tax season and highlight the impact of your volunteers.

- Be prepared to share how your work impacts their particular district.
- Ask about opportunities for grants and other funding.
- Discuss ways to increase the visibility of VITA and opportunities to partner.

SUMMER

After your May meeting, follow up on any questions or pending items and keep in touch about potential funding opportunities. Asking for updates keeps your elected representatives accountable. Reach out with a phone call or email, or even set up another meeting.

OCTOBER

Fiscal year for county/city funding begins October 1.

FALL

Ask your local elected officials to promote your volunteer opportunities.

Case Studies: Local Government Support Across Texas

City and county funding looks different across the state. San Antonio's VITA program is largely run and funded by the city. VITA programs in Dallas and Austin receive city funding. Austin's VITA program also receives in-kind assistance from Travis County. BakerRipley receives funding from Harris County. Eagle Pass VITA receives city funding and plans to seek county funding. While only a few Texas programs currently receive city or county funding, RAISE Texas believes that this is an untapped funding resource for VITA programs across the state.

AUSTIN

Organization: Foundation Communities

Program: Prosper Tax Help

Website: foundcom.org/austin-tax-help/

City of Austin Snapshot (2022)

Population: 974,000

Demographics: 33.1% Hispanic, 47.8% White, 7.7% African American, 8.2% Asian

Poverty Rate: 12.5%

Funding History

Foundation Communities initially applied for city funding by responding to a Request for Proposal (RFP). Foundation Communities is now in the sixth and final year of their current contract with the City of Austin, with a 2022-2023 funding amount of \$137,547. Since 2009, Foundation Communities has received more than \$100,000 annually for VITA services. The current funding is split into two categories: \$6,547 covers general operating expenses and \$131,000 covers salaries and benefits for permanent and seasonal staff, including intake coordinators and site managers.

Foundation Communities also receives in-kind assistance from Travis County. This includes printing marketing materials and providing on-

site ASL interpreters. The value of these services is approximately \$15,000. Additionally, the City of Round Rock provides between \$10,000 to \$15,000 annually to support VITA services for Round Rock residents.

Making the Case

Foundation Communities presented the number of Austin residents they serve, the local economic impact of volunteer tax assistance, and the return on investment the city would receive from investing in VITA. Foundation Communities also emphasized that their preparation cost per return is around \$40 and clients receive an average refund of approximately \$2,000.

To maintain this funding, Foundation Communities submits a quarterly report to the City of Austin that includes the unduplicated number of clients served, demographic data, and household size. The city also conducts an extensive annual audit that includes an examination of individual client files. Providing timely, comprehensive quarterly reports and being helpful with the annual audit are key to maintaining a good relationship with city staff.

TAKEAWAY

Seek out RFP opportunities and be a good partner to city staff who oversee and monitor the funding.

DALLAS

Organization: Foundation Communities

Program: Dallas Community Tax Centers

Website: dallastaxcenters.org

City of Dallas Snapshot (2022)

Population: 1.3 million

Demographics: 42.0% Hispanic, 28.6% White, 24.0% African American, 3.5% Asian

Poverty Rate: 17.7%

Funding History

In 2009, Dallas City Council began funding VITA services offered by Foundation Communities in Dallas. For the first 11 years, funding was \$10,000 annually. In 2019, Dallas City Council increased its support to \$200,000 from general funding, due to departmental changes and new funding priorities for the city. In 2023, Foundation Communities benefited from surplus American Rescue Plan Act (ARPA) funds and received an additional \$200,000 from the

city for two years, for a total of \$400,000 in both 2023 and 2024.

Currently, they are funded through the Office of Community Care through a line-item allocation in the annual budget.

Foundation Communities uses city funding to offer more competitive salaries, support volunteer training, and build marketing capacity.

Making the Case

Foundation Communities created a zip code map to highlight key statistics and the impact of their VITA services in each council district in Dallas. They successfully secured city funding by having a strong advocate who was a City Council member along with showing the return on investment to the city.

TAKEAWAY

Use data to drive your case and emphasize the impact on elected officials' constituents.

EAGLE PASS

Organization: Workforce Solutions Middle Rio Grande

City of Eagle Pass Snapshot (2022)

Population: 28,255

Demographics: 96.7% Hispanic, 2.7% White, 0.2% African American, 0.2% Asian

Poverty Rate: 25.8%

Funding History

The City of Eagle Pass has been funding VITA with \$5,000 every year since 2009. Funding support began after the IRS SPEC (Stakeholder Partnerships, Education & Communication) representative for the region gave a presentation to city council. They plan to seek support from Maverick County for the next tax season.

100% of the city funding goes toward volunteer recruitment and recognition. Workforce Solutions provides in-kind support through office space, printing and supplies, and staff support.

In 2023, Eagle Pass VITA prepared approximately 700 returns and brought \$2 million dollars in spending power to the local community.

Making the Case

While IRS SPEC representatives cannot ask for funding directly, they can help make the case for the need for funding for VITA. In Eagle Pass, the IRS SPEC representative assisted with presenting key information to city officials about the impact of VITA.

TAKEAWAY

Work closely with your IRS SPEC representative and get their assistance with presentations and making the case for local funding.

HOUSTON

Organization: BakerRipley

Program: Neighborhood Tax Centers

Website: bakerripley.org/services/baker-ripley-tax-center

City of Houston Snapshot (2022)

Population: 2.3 million

Demographics: 44.5% Hispanic, 24.1% White, 22.6% African American, 6.9% Asian

Poverty Rate: 19.5%

Funding History

In 2021, Harris County approached BakerRipley to do outreach for a Child Tax Credit Initiative. BakerRipley received \$500,000 for that initiative in 2021-2022.

For the 2023 tax season, BakerRipley reached out to the county to ask about the possibility of ARPA funding. The process to get ARPA funding required several levels of approval.

BakerRipley first presented their proposal to Harris County's Jobs and Education Focus Group Team that centers on individual and family financial assistance. They then moved to the next level for review by a Steering Committee. The Steering Committee voted in support of the proposal and the final step was approval by the Commissioner's Court. The Commissioner's Court approved three years of funding. The funds are primarily used for

salaries, including benefits and taxes, and a percentage is allocated for indirect costs.

Making the Case

BakerRipley used the following to justify their request for funding:

- Overview of VITA and the impact it has on the community
- Historical data on the economic impact (refunds + tax prep fees saved) that the program produces annually
- Breakdown of the negative economic impact on communities and families that rely on VITA if the program cannot operate at full capacity due to the shortfall in funding
- Long-term plan and projection for growth and budget sustainability to replace the ARPA funds when that funding ends

BakerRipley explained that they had lost a significant funder and needed the county's support for three years to maintain their large-scale operations and to provide time to seek new sources of funding for the future. The county agreed to fill in the funding gap for the first year (2023) and then reduce that amount over the next two years to give BakerRipley time to obtain new funding. **Funding amounts: 2023: \$890k / 2024: \$690k / 2025: \$490k**

TAKEAWAY

Answer the call when your local government reaches out and eagerly follow the process to apply for funding.

Final Thoughts

Local government support is an important resource to build a stable and reliable infrastructure for VITA programs across the state. This funding can allow programs to have dedicated staff to minimize service gaps and expand access. While pursuing local city or county funding can seem daunting, it is worth the effort for program stability and sustainability.

Appendix: Examples of How to Tell the VITA Story

2022 Foundation Communities (top) & 2023 Foundation Communities (bottom)

2022 FILING SEASON SUMMARY Prosper Tax Help



Total returns: 10,959

Total refunds: \$24.1M

Average refund: \$2,809

SITE	RETURNS	REFUND TOTAL
Prosper Center - North	4,535	\$ 10,346,792
Prosper Center - South	3,726	\$ 8,577,168
Drop-Off Program	1,131	\$ 2,109,757
Round Rock Public Library	348	\$ 812,124
Montopolis Recreation Center	326	\$ 738,343
Goodwill Community Center	108	\$ 247,251
Turner Roberts Recreation Center	36	\$ 83,223
Special Tax Services	358	\$ 546,345
Self-preparation	391	\$ 666,855

PERCENTAGE OF CLIENTS SERVED BY ADJUSTED GROSS INCOME (AGI)

< \$10K	16%
\$10K - \$19K	20%
\$20K - \$29K	21%
\$30K - \$39K	21%
\$40K - \$49K	13%
> \$50K	9%

315 VOLUNTEERS dedicated **17,582 HOURS** of service

Average AGI: \$27,785

The **Earned Income Tax Credit** accounted for approximately **\$7.4 million** of the refund total

The **Child Tax Credit** accounted for an additional **\$9.1 million** in refunds

HOW DID YOU HEAR ABOUT US?

- Other (2%)
- Flyer/ad/sign (2%)
- Online/Google search (5%)
- Community organization (3%)
- Friend/family (20%)
- Returning client (68%)

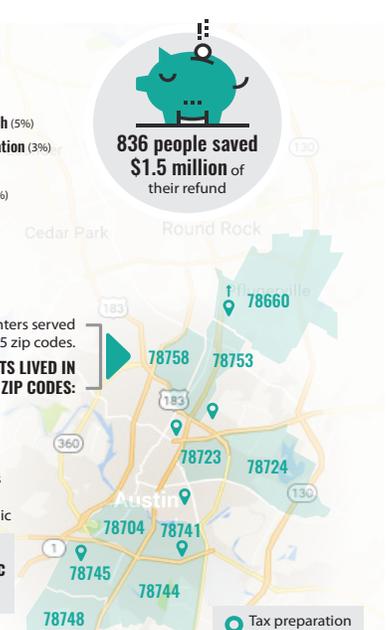
836 people saved \$1.5 million of their refund

Our tax centers served clients from 205 zip codes. **HALF OF ALL CLIENTS LIVED IN ONE OF THESE TEN ZIP CODES:**

55% of clients identified as Latino or Hispanic

The average client: **47-year-old single Hispanic female with 1 dependent**

737-717-4000
ProsperCenters.org




2023 TAX SEASON IMPACT REPORT

In its 19th tax season, the Prosper Tax Help program continued to provide free tax return preparation to thousands of community members. During the 2023 tax season, we surpassed an impressive milestone - returning more than \$500,000,000 in tax refunds over the last 19 years. Thank you to our dedicated volunteers, generous funders, committed staff, and incredible clients for another great tax season!

We Prepared 13,813 Tax Returns That Generated \$21.6 MILLION In Tax Refunds

TAX SITES	RETURNS
Prosper Center - North	5,236
Prosper Center - South	4,372
Drop-Off Program	1,201
Wells Branch Recreation Center	924
Southeast Health and Wellness Center	860
Round Rock Serving Center	478
Special Tax Services	327
Self-preparation	288
Cepeda Branch of Austin Public Library	109

The **Earned Income Tax Credit (EITC)** Accounted For Approx **\$7.0 MILLION** of the Refund Total

The **Child Tax Credit (CTC)** Accounted For an Additional **\$9.0 MILLION**

Average Refund \$2,122

1,218 Clients Saved a Portion of Their Refund

Clients Saved \$2 MILLION from Their Refunds

311 Volunteers Dedicated 17,509 Hours of Service

ProsperCenters.org | 737-717-4000



2023 TAX SEASON IMPACT REPORT

CLIENT INCOME

- 85% Income less than \$50K
- 15% Income more than \$50K

Average Annual Income: \$31,170

HOW DID YOU HEAR ABOUT US?

- 67.1% Returning Client
- 19.2% Family/Friend Recommendation
- 4.0% Online/Google Search
- 3.6% Flyer/Ad/Sign
- 3.3% Community Organization

CLIENT RACE-ETHNICITY DATA

- 56.3% Hispanic/Latinx
- 15.9% Black or African American
- 13.7% White
- 10.4% Unknown
- 3.2% Asian
- 0.2% American Indian or Alaska Native
- 0.1% Hawaiian Native /Pacific Islander

Our tax sites served clients from 312 zip codes. **HALF OF OUR CLIENTS LIVED IN ONE OF THESE TEN ZIP CODES:**




Working-Family Tax Credits Help at Every Stage of Life

The Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) not only reward work and reduce poverty for low- and moderate-income working families with children, but a growing body of research shows that they help families at virtually every stage of life:



Improved infant and maternal health: Researchers have found links between increased EITCs and improvements in infant health indicators such as birth weight and premature birth. Research also suggests receiving an expanded EITC may improve maternal health.



Better school performance: Elementary and middle-school students whose families receive larger refundable credits (such as the EITC and CTC) tend to have higher test scores in the year of receipt.



Greater college enrollment: Young children in low-income families that benefit from expanded state or federal EITCs are more likely to go to college, research finds. Researchers attribute this to lasting academic gains from higher EITCs in middle school and earlier. Increased tax refunds also boost college attendance by making college more affordable for families with high-school seniors, research finds.



Increased work and earnings in the next generation: For each \$3,000 a year in added income that children in a working-poor family receive before age 6, they work an average of 135 more hours a year between ages 25 and 37 and their average annual earnings increase by 17 percent, leading researchers have found.

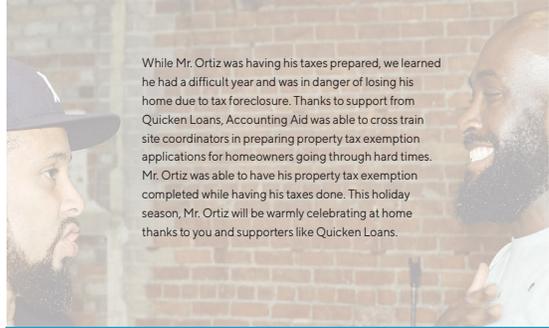


Social Security retirement benefits: Research suggests that by boosting the employment and earnings of working-age women, the EITC boosts their Social Security retirement benefits, which should reduce poverty in old age. (Social Security benefits are based on how much one works and earns.)

Note: For further details on the research see Chuck Marr, Chye-Ching Huang, and Arloc Sherman, "Earned Income Tax Credit Promotes Work, Encourages Children's Success at School, Research Finds," CBPP

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

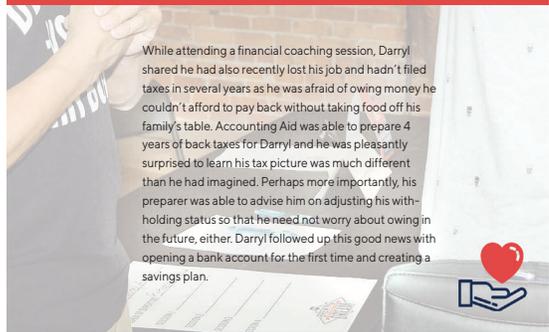
Thanks to you, Mr. Ortiz is keeping his home:



While Mr. Ortiz was having his taxes prepared, we learned he had a difficult year and was in danger of losing his home due to tax foreclosure. Thanks to support from Quicken Loans, Accounting Aid was able to cross train site coordinators in preparing property tax exemption applications for homeowners going through hard times. Mr. Ortiz was able to have his property tax exemption completed while having his taxes done. This holiday season, Mr. Ortiz will be warmly celebrating at home thanks to you and supporters like Quicken Loans.

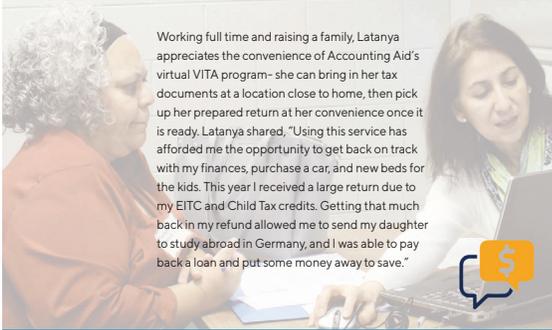
We use taxes to build relationships.

Because of you, Darryl is no longer in debt:



While attending a financial coaching session, Darryl shared he had also recently lost his job and hadn't filed taxes in several years as he was afraid of owing money he couldn't afford to pay back without taking food off his family's table. Accounting Aid was able to prepare 4 years of back taxes for Darryl and he was pleasantly surprised to learn his tax picture was much different than he had imagined. Perhaps more importantly, his preparer was able to advise him on adjusting his withholding status so that he need not worry about owing in the future, either. Darryl followed up this good news with opening a bank account for the first time and creating a savings plan.

Thanks to you, Latanya, is building her family's future:



Working full time and raising a family, Latanya appreciates the convenience of Accounting Aid's virtual VITA program - she can bring in her tax documents at a location close to home, then pick up her prepared return at her convenience once it is ready. Latanya shared, "Using this service has afforded me the opportunity to get back on track with my finances, purchase a car, and new beds for the kids. This year I received a large return due to my EITC and Child Tax credits. Getting that much back in my refund allowed me to send my daughter to study abroad in Germany, and I was able to pay back a loan and put some money away to save."

And relationships to build futures.

You gave David a second chance at a future:



David had recently been incarcerated and was working hard to reenter the workforce. His family was understandably struggling and he was looking for relief. Prior to his brief incarceration, David had been employed and had not yet filed his taxes. Unaware of the Earned Income Tax Credit, David received a significant refund when he filed with Accounting Aid Society - so significant, he was able to pay off back rent, bring their utility bills current and set some extra aside for emergencies. David shared, "The availability and ease of access with tax prep has helped me and my family tremendously. Thank you."



AccountingAidSociety

We use taxes to build relationships. And relationships to build futures.

City of Detroit Mayor's Earned Income Tax Credit (EITC) Initiative

Started in 2017, the purpose of the initiative has been to increase awareness of the credit and expand access to free tax preparation for all EITC-eligible Detroiters. At the direction of Mayor Mike Duggan, a group of stakeholders, including Accounting Aid Society as the lead operations agency, Bloomberg Associates and United Way for Southeastern Michigan, has been collaborating to reverse the trend of working Detroiters leaving approximately \$80 million unclaimed each year in EITC refunds. Thanks to you, this program has returned over \$179 million more to the pockets of working families in Detroit since its inception. Read more about the impact of your investment below.

2017 - 2019 COMBINED PROGRAM HIGHLIGHTS

EITC CLAIMS – CITYWIDE IMPACT

- \$902 million in federal and state EITC claims
- 37,000 more Detroit claimants compared to 2016
- \$179 million more claimed by Detroit residents compared to 2016
- Approximately \$4,300 on average per new claimant filing

VIRTUAL VITA ("Drop & Go") MODEL

- 19 Drop & Go Sites
- Over 2,000 returns processed



ACCESSIBILITY

37+ FREE Tax Preparation Sites geographically disbursed across the city of Detroit

AWARENESS

- 100 billboards
- Extensive media coverage (print, radio, TV)
- Water bill inserts and over 700 DDOT bus ads
- First ever Detroit Tax-a-Thon

"The wealthy have all kinds of tax breaks. People of lower income have one tax break: it's called the Earned Income Tax Credit." - Detroit Mayor Mike Duggan

"This year my EITC refund helped me purchase a new family car and fund my unpaid maternity leave." - Mariah Allen, First-time filer, EITC recipient

"I applaud the efforts of the city to reach households who have not taken advantage of this important tax credit. My department stands ready to help any government or nonprofit organization interested in copying the Detroit model." - State Treasurer Nick Khouri



CSET
Community Services
Employment Training
Where community happens.

VITA 2022 Impact

PROVIDING TAX PREPARATION SERVICES TO LOW & MODERATE INCOME HOUSEHOLDS IN TULARE COUNTY SINCE 2006

In 2022, 70 VITA tax preparers dedicated 8,243 hours to complete 3,617 tax returns, returning more than \$6.4 Million to Tulare and Kings County communities. Volunteers like Alyssa Hernandez (photo below) serve as IRS-certified tax preparers during the tax season. As tax preparers, they assist low and moderate-income Tulare County residents file their federal and state tax returns at no cost. Volunteers also informed taxpayers of eligible cash-back tax credits, such as the state and federal EITC. Customers have access to employment opportunities, rental or mortgage assistance, resources to build financial wellness, and more through CSET's range of services.

3,617
Tax returns filed at no cost

\$6,445,666
Amount in tax refunds returned to Tulare & Kings County communities

1,264
Customers who received the Federal / State EITC

160
ITIN applications filed

8,243
Volunteer hours from 70 volunteers



TAX RETURNS FILED PER CALENDAR YEAR

Year	2015	2016	2017	2018	2019	2020	2021	2022
File	2,276	2,807	2,742	3,026	4,178	3,883	3,543	3,617

VOLUNTEER INCOME TAX ASSISTANCE



A COLLABORATIVE OF TULARE, KERN, & KINGS COUNTIES

WWW.CSET.ORG
(559) 732-4194
312 NW 3RD AVE, VISALIA, CA 93291



TAX SEASON 2023 AT-A-GLANCE



TAX IMPACT

- 21,375 EITC Recipients
- 42,540 Federal and State Tax Returns
- \$32+ million Total Tax Refunds
- \$7,585,896+ ETC Total
- \$1,529,216 Total State Refund
- \$30,578,486 Total Federal Refund
- 3,710 People Who Died
- \$4,553,681 Total Amount Owed
- 29,789 People Who Served

Campaign For Working Families Inc., mission is to champion the financial well-being and economic mobility of individuals and families by leading programming and advocating for policies, initiatives, and support systems that ensure equitable opportunities and financial stability. CWF is driven by the belief that every individual and family deserves respect, dignity, and the tools/information to succeed, and CWF is committed to ensuring positive change at both the policy and grassroots levels by fostering a culture of empathy, data-driven decision-making, and collective action.

The 2023 Tax Season data represents how CWF's mission is hard at work in building financial stability and economic mobility for its communities. Campaign For Working Families extends its sincere gratitude to all the Funders, partners, stakeholders and volunteers that made it possible for CWF to serve over 21,000 unique individuals, answer over 23,000 calls from its community residents, and file over 42,000 federal and state tax returns.

VOLUNTEER ENGAGEMENT

- 441 Certified Tax Volunteers
- 16,576 Volunteer Hours

CALL CENTER

- 23,239 Calls Answered

PUBLIC BENEFIT SERVICES

- 1,034 People Reached
- 86 People Connected To Benefits

935 N 29th Street, Philadelphia, PA 19130 | Contact Us: Email: contact@cwffphilly.org | Website: cwffphilly.org | Call: 215 454 6483

HEALTHY FAMILIES TAX CREDIT COALITION

Fight Poverty by Supporting Free Tax Preparation

The Healthy Families Tax Credits Coalition advocates for continued state support for free tax preparation for low-income taxpayers at Community Action Agencies and other organizations across Massachusetts.





Overview

For low-income wage earners – often working two jobs – the resources they access at VITA sites can make all the difference. At VITA sites volunteers help low-income taxpayers access the Earned Income Tax Credit (EITC) and other child and family tax credits, allowing them to pay bills, cover essential expenses and emergency needs, save and plan for the future. VITA sites - typically located at community-based organizations – also offer financial education and link low-income taxpayers to other critical services, strengthening families and the local economy.

- +30,000 served
- 80 VITA sites
- Integrating Free Tax Prep with other critical services (including fuel assistance, WIC, Head Start, etc.)

- \$60M in tax credits
- \$300 saved by taxpayer for service, \$9M total
- \$2,400 Ave EITC payout

Results

VITA sites are a low-cost and high return activity offering up to 60 to 1 return on investment, bringing \$60 million in tax credits back to taxpayers and their communities.

- ROI is 60:1
- \$1.44 activity generated per \$1 accessed
- Cost per client \$30

Volunteers

Volunteers are IRS-Certified and donate their time and expertise.

- +1,000 Volunteers
- +\$2M Donated Tax Prep Services

- +40,000 Volunteer Hours



MASSCAP
Massachusetts Association for Community Action
Creating Opportunity. Changing Lives. Ending Poverty.

Fighting Poverty through Free Tax Preparation Sites

Volunteer Income Tax Assistance (VITA) Sites Create Opportunity

Transportation and Employment

After receiving assistance finding part-time employment upon arriving at the Safe Harbor Shelter, a single mother became a **Community Action Committee of Cape Cod & Islands (CACCI)** VITA client. The IRS-certified volunteer prepared her taxes and accessed #EITC and #CTC. She received a substantial refund. She is now able to buy a small car to get herself to work and have the opportunity to look for additional work.



Savings and Credit

Quincy Community Action Programs (QCAP) client Jennifer was able to pay off her debt, increase her credit score and start to save by doing her taxes through the VITA program to access the EITC and maximize her refund as well as participate in **SaveYourRefund**. She then continued to work with a Financial Coach at **QCAP's Financial Reach Center** and within a year has more than tripled her savings and boosted her credit score by +150 points. Jennifer is now working toward home ownership.



Home Ownership

One Holyoke family is grateful to the **Valley Opportunity Council (VOC)** VITA site this year. With the help of the IRS certified tax preparation volunteer (and VOC Director of Programs) Melissa, they are able to make the down payment on their first house. This family with 2 young children and 2 working parents who have been saving for some time left smiling. This year, between their refund and the money they saved on the tax prep, they now have enough to finally make that purchase.



Stability for Seniors

Community Action Pioneer Valley (CAPV) VITA site helped a senior woman file her taxes for the past two years. Her only income is Social Security Income and she had no idea she was eligible for the Circuit Breaker tax credit. The CAPV Volunteer preparer not only brought her current with her taxes but through accessing the Circuit Breaker tax credit brought her a return of \$2,000.



105 Chauncy Street, 3rd Floor, Boston, MA 02111 • 617 357 6086
www.masscap.org | info@masscap1.org



Ensuring Families are Financially Stable

Helping low-income families keep more of what they earn through our Free Tax Preparation Campaign.



A CORPORATE INVESTMENT OPPORTUNITY

FALL 2022

WHY INVEST?

Tax credits and refunds can put people on a path to financial stability, but the cost of professional tax services, combined with race, age, income, language, or disability barriers when trying to access tax support, can be prohibitive.

United Way's Free Tax Preparation Campaign combats these barriers. Each year, United Way volunteers help thousands of low-income people across our county prepare their taxes for free.



The Earned Income Tax Credit (EITC) and Child Tax Credit are two of the most powerful anti-poverty tools in the country. Washington's first state tax credit that will provide our lowest-income residents with up to \$1,200 to help with food, living expenses and other essentials, the Working Families Tax Credit, has also been rolled out.

But without the prior need to file a state tax return, many households will overlook this much-needed money.

FACT 1 in 5 eligible people in the US don't claim the Earned Income Tax Credit.

“ This program's message is simple, if you are eligible for the Child Tax Credit or Earned Income Tax Credit, we want you to get those credits and it's because working families deserve a break. This allows us to stay on a path to cut child poverty by 40 percent. This allows folks to save for college, cover daily expenses and pay down debt.”

— Terrence Cabiao, United Way of King County program manager, tax credit & financial stability



We know how much every dollar counts to hardworking families, and so we **recruit and train volunteers in tax law with advanced-level certifications.** Our commitment to high-quality tax training was even **nominated by the IRS as "Champions of Training."**

While our team rebuilt the program to keep it rolling virtually through the pandemic, we reached people where they were at—everywhere from malls to libraries—to **help file 5,700+ tax returns and save \$11.5M in refunds last tax season alone!**

OPPORTUNITY

The Free Tax Preparation Campaign is a key part of our goal to help people rise out of poverty. The best part? We know it works. And with your investment, we can continue to serve more people each year.

PARTNERSHIP LEVELS

PARTNERSHIP BENEFITS	PREMIER \$50,000	ALL-HANDS \$25,000	CONTRIBUTING \$10,000	SUPPORTING \$5,000	ALLY \$2,500
Exclusive recognition and early access to volunteer opportunities at a free tax site	✓				
Company acknowledgment in United Way blog post highlighting the program	✓				
Company name featured in program press release	✓	✓			
Recognition in United Way newsletter(s) highlighting this program	✓	✓	✓		
Company highlight on one of UWKC's social media platforms	✓	✓	✓	✓	
Company logo featured on printed or digital outreach materials	✓	✓	✓	✓	✓
Company name or logo featured on program webpage throughout the year	✓	✓	✓	✓	✓

We'd love to hear from you about your interest in helping people break the cycle of poverty. For more information about this program and its impact, please contact James Modie at 206.461.4515 or jmodie@uwkc.org.






COMMITTED TO A JUST RECOVERY

TAX HELP COLORADO





IMPACT AT A GLANCE



5,274

tax returns prepared



\$14.3 M

in tax refunds returned to clients



251

volunteers helped clients at 36 sites



20

languages supported

Tax Help Colorado provides free tax preparation services to low- and moderate-income Coloradans.

The complexities of state and federal tax systems, and the stress of filing annual tax returns, can be challenging for anyone. Tax Help Colorado makes it possible for low- and moderate-income individuals and families to file their taxes for free with ease, giving them access to valuable tax credits and other benefits each year.

Tax Help Colorado started in 2007 as an initiative of Gary Community Ventures and has filed more than 96,000 returns since. Thanks to IRS-certified volunteers, this free, high-quality tax preparation service was available to households with an annual income of \$58,000, or less, in 2021.

2021-2022 COMMUNITY IMPACT

“I am in a really tough situation as a widow. Using this money, I plan to buy furniture for my kids. I was homeless, but now I have a place, and I am needing to buy a bed for my kids. My mom has cancer, so this also helps with her medical bills. This is a blessing.”

—DIANNE, TAX HELP COLORADO CLIENT*

MEETING FAMILIES WHERE THEY ARE

In its first year as a Mile High United Way program, the average household income for clients served by Tax Help Colorado was approximately \$28,000. Tax sites across Colorado are at central, easily accessible locations, such as community colleges, Mile High United Way, and other nonprofits. Residents can be connected to Tax Help Colorado through 211 Help Centers and other referral services. Professional tax preparation costs an average of \$200, and by meeting Coloradans where they are with this free service, Mile High United Way removes multiple barriers preventing families from receiving the full benefit of their tax refunds.

Entering the 2022 tax season, there was no Volunteer Income Tax Assistance (VITA) presence in Boulder County. Mile High United Way quickly responded to community needs and set up two sites, serving families and individuals with an average household income of around \$24,000. The Tax Help Colorado site at Boulder Public Library quickly became one of our busiest in the state.

FINDING CREATIVE SOLUTIONS

Tax Help Colorado opened a new site near the Denver-Aurora border that works closely with the community's Burmese-speaking population. Our first day, four clients came in together. Three of them were native Burmese speakers, and the fourth spoke Rohingya. One of the three Burmese speakers also spoke Rohingya, but did not speak English. To prepare the Rohingya speaker's return, he spoke in Rohingya to his friend, who interpreted into Burmese for a bilingual Tax Help Colorado volunteer who speaks Burmese and English. This experience truly illustrated how creative engagement with the right community partners can reduce significant barriers for our diverse community.



Nancy Diaz volunteered more than 225 hours in the 2022 tax season as the site coordinator and only IRS-certified volunteer tax preparer in Lamar and the surrounding area. She tirelessly lent her expertise to ensure site compliance, organize community outreach, and complete intake and tax preparation for each client. Nancy's service went above and beyond, as she helped some residents obtain their individual taxpayer identification number, which is a complex and often confusing process. Nancy also served as an interpreter for tax preparers in other communities.

Thank you to Nancy and all the dedicated volunteers who make Tax Help Colorado a success!

*Name changed for privacy purposes

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Resources and Links Included in the Toolkit *(in order presented)*

RAISE Texas: <http://www.raisetexas.org/>

EITC Participation Rate by States for 2012-2019: <https://www.eitc.irs.gov/eitc-central/participation-rate-by-state/eitc-participation-rate-by-states>

EITC Dollars Received in Texas for Tax Year 2019, by County: https://public.tableau.com/app/profile/everytexan/viz/SOIEITCCounties_16672484507660/EITCReturnsbyCounty

EITC in Texas by Zip Code: <https://public.tableau.com/app/profile/everytexan/viz/EarnedIncomeTaxCreditsClaimedfor2019TaxYear/Story1>

Child Tax Credit Dollars Received in Texas for Tax Year 2019, by County: <https://public.tableau.com/app/profile/everytexan/viz/SOIEITCCounties/CTCReturns2019bycounty>

CTC in Texas by Zip Code: https://public.tableau.com/app/profile/everytexan/viz/ChildTaxCreditsClaimedfor2019TaxYear_16651736375310/Story1

IRS VITA Grant: <https://www.irs.gov/individuals/irs-vita-grant-program>

Minority Health Grant: <https://minorityhealth.hhs.gov/fy-2020-grant-awards>

Low Income Tax Clinic Grant: <https://www.taxpayeradvocate.irs.gov/about-us/litc-grants/>

Demographics:

<https://www.census.gov/quickfacts/TX>

<https://txcip.org/tac/census/CountyProfiles.php>

Families Experiencing Financial Hardship:

https://www.census.gov/data-tools/demo/saife/#/?s_state=48&s_county=&s_district=&s_geography=us

<https://www.unitedforalice.org/demographics/Texas>

<https://eig.org/distressed-communities/2022-dci-interactive-map/>

Tax Preparation Fees:

https://shift.hks.harvard.edu/wp-content/uploads/2022/04/Tax_Filing_4_14.pdf

Effective Presentations to City Council:

<https://www.fortworthtexas.gov/departments/citysecretary/appear-at-council>

<https://www.youtube.com/watch?v=C4cnWfbRoBo>