



NATIONAL LEAGUE OF CITIES
Institute for Youth, Education, and Families

Maximizing the Earned Income Tax Credit
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National League of Cities (NLC)

Speakers:

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Antonio, Texas

BOSLAND: My name is Julie Bosland, and I am the Program Director for Early Childhood and Family Economic Success at the National League of Cities' Institute for Youth, Education, and Families. I want to welcome everyone to this call. I think we have a great group on the call today, 128 lines registered, and we know that in many of those places, we have multiple people listening in together. So we're very excited about the enthusiasm for this issue.

This is the kickoff of our Institute for Youth, Education, and Families' fall audioconference series. There will be two other calls this fall that you may want to put on your calendars. The first one will be October 28, on youth participation, and will focus on youth summits and other forums in which youths speak out about their communities. The other will be on December 9, and will focus on strengthening families and looking at the roles that municipal leaders can play in improving outcomes for local families in their neighborhoods.

On today's call, I want to start by providing a little background about the Earned Income Tax Credit and NLC's work in this area, and then have a conversation about why and how cities are promoting the credit and the benefits that they're seeing from this work. At the end of the call, we're going to have a limited opportunity to ask questions of our speakers as the operator just described. We are also trying to include in the conversation with the speakers some of the questions that have been sent in advance. But if you've sent in a question and you feel like we do not adequately cover it in the general course of the discussion, feel free to use the question-and-answer period at the end.

Everyone participating in today's call should have received an advance copy of our latest resource. It's a toolkit entitled, "Maximizing the Earned Income Tax Credit in Your Community." Today, we are also launching a web version of this tool that

can be found at www.nlc.org/nlctoolkit. I would encourage you to take a look at that as well.

Today's call is going to provide an orientation to this new kit and highlight the city role in promoting the EITC. If you got a chance to look through the toolkit, you probably saw that the Federal Earned Income Tax Credit is a tax benefit for low or moderate income working families. There is also a small benefit for workers without children as well. The EITC can provide up to \$4,300 a year for income eligible workers who are the primary caregivers for two or more children, and then there's also a slightly reduced benefit level for workers who are raising one child. I should note that these primary caregivers can be grandparents raising grandchildren or foster care parents. As long as they're working and they're raising a child or children, they would qualify for the credit.

In addition to the Federal EITC, 18 states and even a few local governments offer smaller versions of this credit. It can total quite a bit of money. One of the important things to note about the federal credit is that it's refundable, which means that families can receive a refund equal to the amount of the credit for which they're eligible, even if it exceeds any taxes that were withheld from their paychecks during the year. I think that is important for people to realize that even if they didn't owe a lot in taxes, it can still be quite a sizeable refund.

The EITC has really enjoyed bipartisan support over time. It is an incentive to work, it supports people who work, and it's been touted as one of the most successful anti-poverty programs ever developed. But there are still an estimated 15 to 20 percent of eligible taxpayers who do not claim the credit, and that is where both the challenge and the opportunity come in.

Here at NLC, we have been getting the word out to cities across the country that it's not just a missed opportunity for the individual families who are not claiming, but also for the community as a whole. In many cases, millions of federal dollars that could be coming into local economies are left on the table each year, and these are dollars that could be circulating through local economies and used at local businesses. It's both important to families and to the broader city.

We will use this call today to walk through the topics that are covered in the toolkit about how cities can be engaged and really maximize this benefit for families and for the community by talking with three speakers that we have on the line. We are delighted to have with us today: Beth Baugh, the Public Relations Coordinator for the City of Hattiesburg, Mississippi; Dennis Campa, Director of the Department of Community Initiatives in the City of San Antonio, Texas; and Ellen Quigley, the Assistant Deputy Mayor for the City of Indianapolis, Indiana.

Now that I have introduced you, I would love to have each of you just take a minute to give us a little bit of context, a very broad brush overview of your city's involvement in EITC outreach and how the city has taken leadership to connect families to the EITC. We will get into lots more details as we go through the call today. Beth, did you want to start?

CAMPA: Sure, thank you. We actually began in the summer of 2002 when an

official from a local bank came to the Mayor's office and brought us information showing us just how much money was, as you said, just sitting on the table that working families were not getting back. Hattiesburg has about a 50,000 population, and our estimate was that about \$5 million was being lost in our local economy. We knew that the Mayor was in a good position to pull together a committee of officials from the AARP, local banks, local government agencies and the university and go to work in trying to put together a coalition to educate the public about the Earned Income Tax Credit.

BOSLAND: Dennis, how about in San Antonio?

CAMPA: Well, we have had a 15-year history of being involved, doing VITA work. But it wasn't until October of 2001 that the IRS and the Annie E. Casey Foundation came to us and said, "You are missing a wonderful opportunity. There is upwards of 27,000 to 30,000 families in our community not claiming the EITC, and you are missing out on \$60 million." When we looked at those facts and figures, we said we needed to make a greater commitment to the effort. In November of that same year, the National League of Cities brought together San Antonio and other cities. I think it was those two meetings that inspired us to say we could do better and it should not be something that we do as an additional service. It should be a primary service to help the working family.

Since that period, we have had a year-round effort committed to helping families access the Earned Income Tax Credit as well as the other credits that are available to them.

BOSLAND: Ellen, what about in Indianapolis?

QUIGLEY: Our experience was very similar to San Antonio. The IRS and AARP had had a VITA program in Indianapolis. In 2001, just about the time Mayor Peterson had heard from Mayor Daley about what Chicago was doing, the Annie E. Casey Foundation and IRS were bringing us the figures about what we were losing in Indianapolis. For Indianapolis, that translates to about 15-20,000 families who had failed to claim the credit, and that is about \$22 million. Hearing those figures and attending some of the meetings that were being held locally and nationally, Mayor Peterson decided that this was something that he really wanted to be committed to and took a leadership role in pulling various partners together to create a pilot the first year. Now we are going into it year round, as in San Antonio. We have expanded our efforts to reach the entire city and continue to work to do the outreach, the tax preparation and then the connection of folks to financial literacy opportunities.

BOSLAND: Great. I would like to highlight some of the resources that are in the toolkit. Just to give you a sense, the toolkit starts out talking about laying the groundwork and some of the work that you can do getting started with a new initiative. One of those pieces is assessment. Beth, I would like to turn to you. All of you mentioned the money that is being left on the table. In Hattiesburg, how did you determine that \$5 million was

being left on the table, and what impact did that have on the city's level of engagement?

BAUGH: We determined that based on the estimates from our IRS person that was involved. \$5 million too for a city this size was significant and we realized that it did not just affect the taxpayers, the working people in Hattiesburg, but it was money that was being lost to businesses and our local economy. That is how we determined that it was something on which we absolutely had to get the word out.

To do that, we got pamphlets from the IRS and a letter from the Mayor. We sent it out to some of our larger employers that may have had employees that would meet the criteria as low to moderate income. That was probably a majority of our population here.

BOSLAND: I know that is an issue that some of the participants are interested in, working with businesses. Did you find to be a successful way to do outreach engaging some of the local business leaders?

BAUGH: Yes, we did, absolutely.

BOSLAND: Great. Ellen, I know when you started your efforts in Indianapolis, you did some targeted outreach to Hispanic families in the community. Can you talk a little bit about what sort of assessment led you to start there or to do some specialized outreach?

QUIGLEY: Sure. Indianapolis has experienced a huge influx of Latino immigrants in the last five to ten years; much more than we had ever seen before. It made us realize that we really needed to change the way we were doing business as a city. When this opportunity came up, we did some initial outreach to some of our partners who work with the Latino community on a regular basis to find out what the experience of those families were.

We decided that targeted outreach was absolutely critical, whether or not someone had a Social Security number. We worked with those existing community organizations, and the Latino media. We worked to create all of our materials in Spanish. We tailored the message so that folks would feel familiar and comfortable with hearing and trusting the message. We hoped that they would then come to our tax sites and do the tax preparation.

Also, in those areas, we made sure that we had Spanish-speaking individuals at the sites to provide translation services.

BOSLAND: Another element that cities may want to look at in addition to how much money might be left on the table, and who could be targeted, is what local residents are currently doing about tax preparation: Are they going to paid providers, either the major H&R Block types or some of the various tax providers that spring up during tax time and also charge a larger fee? Are they doing it themselves? What is the need for tax preparation and other financial services? In San Antonio, I know you have been paying

attention to those issues. What are some of the strategies, Dennis, that you have used to get a handle on local families' reliance on paid tax preparers and the fringe financial services like check cashers?

CAMPA: Well, there are several things we have done. One of the things we track every year on the people we do taxes for is who did their taxes the previous year? Was it a paid preparer? Was it us? Or did they file it themselves? Was this their first time filing? When we looked at the information, we saw that almost 68,000 filers had used a paid preparer and also received a refund anticipation loan, which meant they spent an additional \$13-14 million for this service.

What we have done is created a coalition that includes United Way, Catholic Charities, the Casey Foundation, IRS, but also has banks and the FDIC. We have reached out to our community to talk about financial literacy, to ensure that we can do electronic filing on almost 99% of our tax returns so people can get their returns within a week. We have done significant outreach to low wage employers to get the message across that this is a savings to working families and also have our banking institutions offer more competitive banking products. We have two banks right now offering free check cashing for our participants.

Also, at a number of our sites, we have financial literacy classes. These are mini-classes during the tax season. If tax filers are waiting to have their taxes done, they get a dose of financial literacy and are invited in to participate in an individual development account and some of our other asset building initiatives.

BOSLAND: We can come back to that as when we move onto some of the strategies around asset development or helping people avoid some of these costly tax prep scenarios. You mentioned that you found that 68,000 filers had used paid preparers. As your communities think about doing this kind of assessment, how did you go about finding that number?

CAMPA: Two ways: the Brookings Institution prepared a report for major communities in the country, and they had that figure in their report. We also asked the IRS for information. The IRS can give you information down to the zip code level. Using both the Brookings Institution's report and the information it provided, we began to do some mapping of who was using paid preparers, where did they live and where could we look at locating some of our sites to be strategic.

BOSLAND: Several people now have mentioned the importance of connecting with your local IRS as you are in the assessment stage. I should note that in Appendix B of the toolkit, you will find all of the territory contacts for the IRS. This is an important way to get a handle on the money that might be left on the table for the folks that may not be claiming the credit but are eligible and also to see which filers have been using paid preparers and how big of an issue that is in your community.

Dennis, you were just starting to give us an example of who has been important as partners in your efforts. Maybe you could expand a little bit on who those

partners are and what convinced them to get on board? After an assessment is done, it's really important to get a local coalition together.

CAMPA: After we did the initial assessment with Casey and IRS, they were really looking for one organization to be the lead in this venture. We said we would do it, but only if United Way was a partner. The reason we wanted United Way was, one, we already had multiple partnerships with them; two, they have access to the business committee; and three, they have many investments in the community serving working families. So to us it was critical that we had these players.

Once we started, we realized if we do this work, we would have look at how we were competing with the paid preparers who offer refund anticipation loans. We needed to look at bringing in the banking institutions and have them offer at least free check cashing and other competitive products so we could be more attractive to the people who need the service.

BOSLAND: In Indianapolis, who are some of your key partners, and how have you organized your community collaboration to handle outreach and free tax preparation, Ellen?

QUIGLEY: In Indianapolis, we have a long history of collaboration. I think that made it a little easier for us to bring a coalition together. Unlike some of the cities who are doing this work, we do not have a primary organization that does the day-to-day work. We operate truly as a coalition and through collaboration. We have about 50 campaign partners, and those campaign partners are broken down loosely into areas that are consistent with those organizations' missions. For example, in the area of outreach, we have community centers and schools and more of the neighborhood-based organizations. We also have employers who are doing outreach now with their employees.

For the tax preparation, our primary partners are IRS, the Indiana CPA Society, and some of the universities and colleges who are very active in providing tax preparation. In the volunteer recruitment area, we have partners like United Way and the Indianapolis Bar Association. In asset building, we have partners who are already involved in financial literacy type coalitions. We have banks, and again, universities are assisting us.

In terms of the staffing of the campaign, especially during the tax season, we have a small working group that manages the decision-making process, and we have also hired a consultant that helps us manage the day-to-day campaign activities with some of our money that we have received through grant funding.

BOSLAND: That gets us to the issue of funding and what it takes to put something like this on. Beth, could you talk a bit about what your first year goals were, how they have grown, and how you developed a campaign budget to cover those costs for those activities?

BAUGH: Our first year, we focused on getting the word out and educating the

public about the Earned Income Tax Credit through as many employers and churches as we could reach. We went to the media as much as possible. And we worked extensively with the AARP, who already had sites open to the public, but primarily targeted to retirees, to include them in our effort. I do not know how any city could do this without the AARP. They are an awesome resource.

AARP is a nonprofit, nonpartisan membership organization for people age 50 and over. The AARP Foundation is the Association's affiliated charity and helped start the AARP Tax-Aide. Today, AARP Tax-Aide is helping to improve communities by providing this service.

Our first year, 500 new EITC applications were processed--we had a really good first year. Our second year, we included the public high schools and a church in our free tax sites and had amazing results. The business technology students at our public high school got not only hands-on learning, but they provided a much needed community service and did many free tax returns.

Unlike Ellen and Dennis, however, Hattiesburg is much smaller. I am sure our budgetary needs have not reached their level yet. The city has funded the cost of any mailings we have done. We have gotten a lot of free publicity through the media and we are working on some grant applications for more computers. Computers are really our only expense right now. Fortunately, all of the ones we have so far have been donated, and we have had access to the university and Hattiesburg High School's computer labs, and the IRS has provided the software. We have not had too much of an expense. We have not really reached out as far as the asset building yet. We are looking at that a couple years down the road, but we have not started that part of our campaign yet.

BOSLAND: That is also a good point: often these things evolve. You started with a focus on maximizing public education and developing partnerships to do free tax preparation, sort of expanding your number of sites over time, and then planning for the future. That is often how the progression occurs, although certainly not exclusively.

BAUGH: Right.

BOSLAND: What about in Indianapolis or San Antonio? What have your budgets looked like for these types of activities?

CAMPA: In San Antonio, we started off without a budget. But for this present tax year that just finished, our budget for the city was about \$200,000. \$121,000 of that came from General Fund and \$30,000 from grants. But United Way and Casey both contributed another \$100,000. We had a total of about \$400,000. I would say we had that much also, in terms of in-kind media exposure and volunteer service.

QUIGLEY: In Indianapolis, we had a budget of about \$85,000 and we spent about \$75,000 this last year, and that has been our most expensive campaign. I think like Dennis and other cities, most of our cost is in kind. It's the volunteer time. It's the

donation of computers and other things that we rely on so heavily to make the campaign run smoothly.

BOSLAND: How do you see the cost of the campaigns compared to the amount of money that is brought back into the local economy? To many cities on the line, these might sound like pretty expensive campaigns. How have you justified those investments in your various communities?

CAMPA: In Tax Year 2001, which was 2002, when we did not invest any money, we brought back about \$6 million. This year with the size budget we had, we brought back \$30 million. I think we have also realized that the more you go to scale, the more you have a year-round presence as far as providing ongoing tax assistance to tax filers to keep them in the loop. You are going to have people who have not filed in the last couple years who need to file, and you are going to have people that may have letters from the IRS that you need to help resolve. Our costs have gone up, but it's also because we are providing year-round services. We have been able to justify it based upon the amount of money we saved our filers, which was about \$3 to 4 million this year, and the amount of money that we brought back to our working families, which was \$30 million.

BOSLAND: Beth or Ellen, do either of you want to comment?

QUIGLEY: I think that we have used the same rationale, especially in recruiting business partners. This has been an effective way to convince people that it's worth an investment, both of time and money. In Indianapolis, we have calculated that for every dollar that we have spent on the campaign, we brought back about \$30 in EITC and about \$75 in total federal refunds. That appeals to people. They understand that this is a great Return on Investment and it makes them more willing to get involved and say, "We will commit to this amount of money" or "We will commit to putting in this type of volunteer support."

BOSLAND: That was a lot of great information on laying the groundwork and getting an idea of where you are going and how you are going to get there. The next major section the toolkit addresses is EITC outreach and public awareness. All of you have mentioned that this is a major component of the work that you do, making sure that families that are eligible know about the EITC and know how to claim it. What were some of the key considerations for you in designing your outreach strategies and coming up with an EITC message, Beth?

CAMPA: One of our key considerations was the fact that for the majority of our citizens, their income levels do qualify for this. We wanted to make sure that we could reach every single person in the Hattiesburg area. To do this, we thought we needed to try to reach them in a way that they would make them pay attention. One of our strategies was to get a local marketing professional to donate some time in coming up with a marketing strategy, so to speak. He designed a logo and a slogan that the "Earned

Income Tax Credit is like money in the bank.” Everyone can relate to wanting more money in the bank. We used this on all of the brochures we sent out, all of the flyers that we put up around town; used it every time the Mayor talked about it. We also took out a full-page ad on the back of our city newsletter, which is mailed out to about 20,000 households. We broke it down in real simple terms what the EITC was, what the qualifications were that you had to meet, and where you could go to get your taxes prepared.

BOSLAND: Either Dennis or Ellen, any interesting strategies or partners that have helped you get your message out?

QUIGLEY: I think that the toolkit provides good advice about that, especially Page 32. It talks about what city officials can do -- roles for city officials. In Indianapolis, we found that the messenger is very important in reaching your audience. We had multiple messengers to go out there. But the city official -- the Mayor, in our case -- was the lead messenger. We designed a message that was tailored to the different audiences that he was talking to, whether it was a business or a neighborhood group. We have tried to do that with other messengers. We were very careful to think about if we had civic leaders that were out there, if we had business leaders out there.

CAMPA: We did something very similar. We kick off our campaign every year with a major press conference that has the Mayor, the Council and our partners talking about what we did last year and our plans for this year. But it's all focused around working families, so we tend to have these at childcare centers or libraries. Some other things we did this year included having Clear Channel donate a number of billboards that allowed us to have a billboard presence. We hung street banners. We did pay stuffers for city and county school district employees, employees in the hospitality industry. We own the utility companies in town, in the utility bills, we sent out information about VITA. We did a lot of TV shows, radio, and they repeatedly ran our PSAs promoting our tax sites. We also used the United Way's 211 Hotline as our portal of entry.

One of the special things we did this year was pay ACORN a modest amount to do door-to-door campaign in what we think are target-rich neighborhoods to promote VITA. For everyone we have a contractual relationship with for human services, there is a stipulation in their contract that they promote VITA participation as well as multi-benefit enrollment.

<p>ACORN, the Association of Community Organizations for Reform Now, is the nation's largest community organization of low and moderate-income families. www.acorn.org</p>
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BOSLAND: That is great. I think from all three cities, we have gotten a very comprehensive list of many of the different ways that cities can be involved. I was also pleased to hear several of you highlighting the role for local elected officials. That is something we did try to pull out in our boxes in the toolkit -- the special things that

mayors and city council members can do as part of these campaigns.

Moving on, one of the major portions of this toolkit deals with free or low-cost tax preparation. That is something that we have heard some discussion about as we have been talking today. To focus in here, the section in the toolkit walks through some choices in how to help families with tax preparation, how to staff, organize and market free tax preparation sites, issues around data collection, some special considerations in serving immigrants and post campaign activities. I thought we could start this discussion talking about why it's important to include free or low-cost tax preparation as part of a local EITC campaign. How complicated is the EITC process for local families and what's the role of free tax preparation in avoiding some of the predatory services? Anyone want to jump in on this question of the importance of free tax prep?

CAMPA: I would say from our experience, we believe that if we do their taxes, we are going to save the average filer about \$200. That is about 10 percent of the average EITC return.

BOSLAND: Dennis, to clarify, that would be savings on costs that they would have paid otherwise to a paid preparer?

CAMPA: That cost includes filing their 1040. There are additional costs for filing the EITC. There is an additional cost for Child Tax Credit, an additional cost to do it electronically, an additional cost if they are marketing a refund anticipation loan. For every additional schedule that is done by a paid preparer, there is an additional cost. I took the average, which is around \$200. We now do all that and although we do not do a refund anticipation loan, we provide all that free to working families.

The other part is that there is very good training available. We have been training for the past couple year and have our own trainer and trainer program. Our town started off with the IRS, but now its part of what we are doing with our colleges and universities. The IRS has a very nice self-paced program called "Link and Learn" on their website.

BOSLAND: Could you talk a little bit about the types of volunteers that you need and how to recruit them? Beth, you mentioned that you partner with AARP. Is that how you get your volunteers?

BAUGH: Probably about half of our volunteers are AARP members. We have about an even split of AARP and VITA sites that work in our coalition. But we also have a lot of church members who volunteer when we have a church site. The university, college, and high school students are all volunteers. The high school students this past year were just an untapped resource we did not think about the first year. They really got excited about this, not just because they got school credit, but because they knew they were actually making a difference. So high school students are really a great resource to tap into.

BOSLAND: What roles do volunteers play in your sites? Obviously there is the tax preparation. What other types of folks do you need to have onsite?

BAUGH: We have had volunteers serve as greeters and also help people fill out any types of forms they need to fill out. However most of our volunteers do the tax preparation.

BOSLAND: Ellen, what have you found in your community make the best free tax assistance locations?

QUIGLEY: In Indianapolis, we have found that the tax assistance locations that work best are the ones that are in the neighborhoods where the working families live. We have a transportation system that is challenging to a lot of working families. The bigger sites, if they have computers that are already there, that is great. The sites that can be opened at different times, like in the evenings and on the weekends, those have worked very well. For our Latino community, we have partnered with Latino organizations that will open up their doors and provide the tax assistance.

One thing that we have found in the last couple years is that some of our best tax sites have been actual utilities. The gas company and the electric company train their staff to do tax preparation. They provide this service to their customers when they come in to pay their bills or they have questions about their services that are utility-related, they use this as an opportunity then to provide tax assistance, and that has worked very well.

BOSLAND: That is interesting. Dennis, one of our participants sent in a question about how clients can identify good tax preparation services from bad ones. Is that something you help educate people on as part of your campaign?

CAMPA: We do a great amount of work in doing community education. We use our relationships with congregations and community-based organizations to help spread this word. So although we believe that we do a good job, what we want people to do is have information available to them. In our libraries we have information available about the different tax sites and how they can access them, and how they can also file their taxes themselves.

We also tell them what to look for when they go to a tax site. What are some of the charges for doing the basic form? Are there additional charges per schedule? Do they charge you a fee for filing it electronically? Also are they marketing other financial products to you, and what are some of the costs associated with that? What we have discovered with the refund anticipation loan, since people do not normally receive that until two or three days after their return has cleared the paid preparer, if they would just wait one week longer, they wouldn't have to pay that at all.

We line up side by side what they can receive from a VITA site, what they need to look at doing when they go to a paid preparer site, and it really becomes a customer choice. We try to incentivize our sites by offering additional financial products

and some opportunity to do multi-benefit enrollment, primarily around food stamps, children's health insurance and some of our utility assistance programs.

BOSLAND: I wanted to point out to listeners the last two major sections in the toolkit address what Dennis was just talking about in terms of access to multiple benefits beyond the EITC--using tax preparation or EITC outreach as an opportunity to help families connect more broadly to work support such as food stamps, health insurance, childcare subsidies and the like. In the last section, we discussed using the EITC refunds as a launching point for helping to develop financial assets.

Let's open it up for questions at this point.

FACILITATOR: Your first question comes from Jane Callahan.

QUESTIONER: Hello. I'm with the Norfolk Department of Human Services, and we are attempting to take the lead in forming a coalition in this area. In the process of doing that, a question had come up, and it involved the timing, as you had just mentioned, in getting the word out about free tax preparation sites and trying to kind of beat the tax preparers who they have to pay for to the punch. That is a real challenge because often we are struggling with the training issues, getting the proper software, and then of course, convincing the community that it's a good idea to wait. Have you experienced similar challenges in training and selecting software and the like?

CAMPA: We use the IRS software. It's called Taxwise, they provide it free, and they support it. If anything goes wrong with it, we try to work out the problem, but we can also have IRS technical support as well as Taxwise technical support. It's free and it's something supported.

I think you have captured the challenge -- we might not be located on the main thoroughfare and we are competing against Madison Avenue marketing. We have to rely a lot on people power. We use all those people who have contact with working families to promote this initiative -- Head Start, the subsidized childcare program, and the Healthy Families program.

QUESTIONER: So really it's trying to get the promotion out. The timing is something we just have to deal with later. It's just our approach in making sure we convince people that they really truly will benefit. Okay, thank you.

FACILITATOR: The next question comes from Lisa Dibble.

QUESTIONER: We have found that some preparers in our area, which is Lynchburg, Virginia, are actually preparing returns not with a W-2 form, but with the end of the year pay stub. That causes a timing problem for us because my employees will dash out with that pay stub and get the return done before the tax sites are even up and running. Is there anything that we can do to offset that other than to beef up their education efforts and do them a little earlier?

BOSLAND: Ellen, have you experienced this in Indianapolis?

QUIGLEY: Yes, we have experienced a little bit of that. Our strategy has been similar to what Dennis was talking about. We have made a much stronger effort to work through employers to send the message to their employees that they should wait, and they do that through the pay stub information and through distribution of information through their networks that they have internally, whether it's e-mail or newsletters, things like that. We have found that employers have been the more effective communicator on that because that is when people are using those pay stubs.

QUESTIONER: Thank you.

CAMPA: One other thing -- it really can not be filed until they receive the W-2. I know a lot of paid preparers and second-hand car dealerships get people in on their end of the year pay stub, but it can not be filed until they receive their W-2, and most people do not receive their W-2 until the end of the month. We attempt to open up our sites in the middle of the month to get people coming in and asking questions and letting them know what is the first legal day for us and what they need for us to be able to file their taxes. Also, we educate them that the people they're going to can not legally file their tax return for them with end-of-year paystubs. They need a W-2.

FACILITATOR: Your next questions come from Rick Morrison.

QUESTIONER: Have you noticed any particular flak, for lack of a better word, as you set up amid paid preparers, with the argument that you are cutting in on their livelihood and that sort?

QUIGLEY: We really have not heard from them publicly at all. I do not know why. I would expect that we would, but we have not.

BOSLAND: Beth, I would love to hear from you on this as well. We have heard that in some smaller communities it can be more of an issue if you may be more likely to run into the people who operate the paid tax preparation.

BAUGH: We have not really had a problem with that either. Part of that might be because the man who has been our site coordinator is actually retired from H&R Block. We do recognize that there are some tax forms that we can not do, so we want to keep open communication and good relationships with the reputable tax preparers, because there will be times that we need to send them to those people.

CAMPA: That has really been our experience. We publicly say that we are not going to do anyone's taxes who makes more than \$35,000. We help guide people to

places where they can get their taxes done if they earn more than that. But we tell the world that our market is people earning less than \$35,000.

QUESTIONER: Thank you.

BOSLAND: I'll pose a question for our speakers. At the end of tax season, what types of activities do you do to wrap up and to celebrate, to prepare for the next year? Beth, I know that you all had an emphasis on sort of regrouping at the end of your first year in particular.

BAUGH: Well, right at the end of the first and second year, the first thing that we do is honor all of our volunteers, because we absolutely could not do it without them. We had about 60 volunteers this year. We had a thank you reception. We take a month off and then we regroup and the coalition comes back together in June and talks about what we did right, what we did wrong, that type of thing. We are actually beginning to start talking about gearing up to start training hopefully later in October.

BOSLAND: I should note that in the web version of the toolkit, which I mentioned earlier in the program that can be found on NLC's website, there is a sample timeline that you can go on and whatever month it is, you can click on that month and get a suggested timeline of how to proceed with the campaign from that point forward. We do highlight some end of the year wrap-up and suggest that campaigns start planning for the next season in the summer to do some of that advance work. Obviously, if you are starting now, there is still plenty that you can do to get a campaign going for this year, and start that advance planning for your second season.

Were there other questions?

FACILITATOR: You have a question from Caroline Brewer.

QUESTIONER: I was wondering if you have found any success at your site with linking the EITC refund and building a financial literacy program for people. Do you give information right at the site? Or is that something you do before or after?

QUIGLEY: We have found the most success in linking people to existing programs. We do, similar to what Dennis said, have people onsite. We have a couple of banks that we work with. They offer financial products. That is a good way to link people immediately to some of the financial literacy services. We also work with existing programs throughout the year. They are talking about EITC and the campaign with their students, with the people that come through their doors -- community centers are the same way -- and people are prepared when January comes, to walk into the tax sites to get their taxes done.

CAMPA: In four of our sites, we designate them "supersites." On weekends we had a number of our financial partners -- the banks, the FDIC and others, and volunteers -- do

one hour of financial literacy classes for filers as they were waiting for it. We also marketed our IDA program at the time -- Individual Development Account program -- as well as some of the housing programs we had available in the community, and we had different savings products available. We had a significant pilot this year, and next year we are looking at how to expand our “supersites” to offer more of these financial products and use this one-hour financial literacy class as a teaser to get people into our longer classes.

FACILITATOR: You have follow-up question from Lisa Dibble.

QUESTIONER: I wondered how we might go about getting an additional hard copies of the kit, because I would like to keep one for me to use and I would like to share one with our mayor, for instance.

BOSLAND: That will lead me to my wrap-up. Here at NLC, we would be delighted to work with any of you that are interested in starting or expanding your Earned Income Tax Credit outreach through the city. If you have any follow up questions or ideas, our Senior Program Associate for Family Economic Success is Abby Hughes Holsclaw, who many of you may have talked with already, and can she be reached at (202) 626-3107, or by e-mail -- holsclaw@nlc.org. Also, my name again is Julie Bosland. I can be reached at (202) 626-3069, and my e-mail is Bosland@nlc.org. Either of us would be happy to follow up with you.

If it's a matter of ordering more kits, we have limited quantities of the hard copies available, but for a single kit for a local official, we'd be happy to follow up on that. As I mentioned earlier, there is the web version available as well. I encourage you to check that out, and that will be broadly available to everyone.

Thank you again to all of our speakers who have been with us today, as well as to the many people who are listening and participating in this audioconference. Again, we'd encourage you to put the upcoming audioconferences on your calendars for October 28 on youth participation and December 9 on strengthening families. Thanks again for your involvement with NLC.