



—CALL TO ACTION—

Boost Working Families' Incomes

LOCAL ACTION CHALLENGE FOR ECONOMIC MOBILITY AND OPPORTUNITY

Promote and Help Residents Claim the Earned Income Tax Credit

Many families, even those with full-time employment, still struggle to make ends meet. When tax time arrives, many of these families could receive a substantial financial boost through the federal Earned Income Tax Credit (EITC), a refundable credit touted as one of the country's most effective federal anti-poverty programs. Yet many families do not know they are eligible or are unable to pay for high-cost tax filing assistance. Local officials understand that by helping residents to claim the EITC, they can help families achieve greater financial stability while also bringing additional federal dollars into the local economy.

What does this look like in action?

City officials can use their "bully pulpit" and other city communication mechanisms to promote the EITC widely and inform residents about where they can obtain free tax preparation services. Most communities have a VITA (Voluntary Income Tax Assistance) program in which IRS-certified volunteers provide free tax return preparation for low-

and moderate-income families at community organizations or other sites around the city. Some cities offer VITA sites directly in municipal buildings such as city hall or public libraries.

The City of Hattiesburg, Miss., created a video featuring Mayor Johnny DuPree that highlights the benefits of the EITC and tells residents where they can get free tax preparation assistance. The city also shares this information through its website and social media outlets and coordinates training for volunteer tax preparers at VITA sites.

Action Steps

- 1** Identify EITC outreach efforts and Volunteer Income Tax Assistance (VITA) sites already operating in your community and reach out to sponsoring agencies.
- 2** Use your "bully pulpit" to publicize VITA sites through public events, media, the city's website and other means and encourage residents to claim their EITC by April 18th.
- 3** Convene local partners in May or June to review successes of this year's EITC outreach and VITA efforts as well as areas for potential improvement.

- 4** Develop a citywide plan to expand VITA sites, recruit and train volunteers, and increase the percentage of eligible working families that claim the EITC next year.
- 5** Secure additional resources to support EITC outreach and VITA efforts from city sources and/or local philanthropy and the private sector.
- 6** Work with your local partners to build upon these EITC-VITA efforts by also connecting low-income residents to other public benefits and safe, affordable financial products.

For more information and resources:

Maximizing the Earned Income Tax Credit in Your Community: A Toolkit for Municipal Leaders, National League of Cities, <http://www.nlc.org/sites/default/files/2016-12/maximizing-eitc-in-your-community-kit-2004.pdf>

Policy Basics: The Earned Income Tax Credit, Center on Budget and Policy Priorities, <http://www.cbpp.org/research/federal-tax/policy-basics-the-earned-income-tax-credit>

Tax Credit Outreach Kit, Center on Budget and Policy Priorities, <http://www.eitcoutreach.org/outreach-strategies/materials/tax-credit-outreach-kit/>

For More Information

Please visit
www.nlc.org/econmobilitychallenge

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