



Maximizing the Earned Income Tax Credit in Your Community:

A Toolkit for Municipal Leaders

National
League
of Cities



Institute for
Youth, Education,
and Families

The Institute for Youth, Education, and Families (YEF Institute)

is a special entity within the National League of Cities (NLC).

NLC is the oldest and largest national organization representing municipal government throughout the United States. Its mission is to strengthen and promote cities as centers of opportunity, leadership, and governance.

The YEF Institute helps municipal leaders take action on behalf of the children, youth, and families in their communities. NLC launched the YEF Institute in January 2000 in recognition of the unique and influential roles that mayors, city councilmembers, and other local leaders play in strengthening families and improving outcomes for children and youth.

Through the YEF Institute, municipal officials and other community leaders have direct access to a broad array of strategies and tools, including:

- ◆ Action kits that offer a menu of steps.
- ◆ Technical assistance projects in selected communities.
- ◆ The Your City's Families Conference and other workshops, training sessions, and cross-site meetings.
- ◆ Targeted research and periodic surveys of local officials.
- ◆ The YEF Institute's website, audioconferences, and e-mail listservs.

To learn more about these tools and other aspects of the YEF Institute's work, go to www.nlc.org/iyef or leave a message on the YEF Institute's message line at 202-626-3014.

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A Toolkit for Municipal Leaders

Supported by the Annie E. Casey Foundation
and the Joyce Foundation

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Dear Municipal Leader:

Mayors, city councilmembers, and other key leaders in cities all across America know how important it is to take full advantage of available funding from federal and state governments. Particularly in difficult economic times, one of the keys to balancing local budgets is making sure that these funds are not “left on the table.”

What municipal leaders are increasingly recognizing is that this same principle applies to working families as they struggle to make ends meet. The federal Earned Income Tax Credit (EITC), along with similar state tax credits in 18 states, now provide literally billions of dollars in assistance to lower-income working families. These tax credits can greatly enhance prospects for family economic success ... but only if they are claimed by those who are eligible.

You have a unique opportunity, as a municipal leader, to help ensure that all eligible families in your community know about the federal and state tax credits and are able to claim them. In the process, you can also bring thousands – or even millions – in additional federal and state funds into your local economy, benefiting local merchants and the community as a whole.

This toolkit was created to help you maximize the potential impact of the EITC in your community. It is based on the latest research and best practices from across the nation and offers concrete ideas for action that can lead to better outcomes for local residents.

This publication provides a detailed guide to the opportunities for municipal leadership and engagement in EITC outreach and free tax preparation campaigns. Two related resources are also available from NLC’s Institute for Youth, Education, and Families:

- ◆ a shorter action kit for municipal leaders entitled *Helping Working Families*; and
- ◆ a web-based tool that provides the information in this kit in a searchable, electronic format.

Both of these resources for municipal leaders can be found in the Institute’s section of the NLC website: www.nlc.org/iyef.

NLC and its YEF Institute are eager to assist you in these vital efforts. Institute staff are available to provide additional information about the strategies highlighted in this toolkit, and we encourage you to contact us whenever we might be of assistance.

Donald J. Borut
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PART I:

The Earned Income Tax Credit – A Prime Opportunity for Cities

Introduction

A city thrives when its residents thrive. Yet many families, even though they are employed full-time, continue to struggle to meet their families' basic needs.

Local elected officials across the country have discovered a way to strengthen working families while bringing more federal dollars into the local economy: by connecting eligible workers to the Earned Income Tax Credit (EITC). The EITC provides a financial boost to these families by reducing their tax burden and,

in many cases, giving them a tax refund when they file their annual income tax return.

Recognizing that each city is unique, this toolkit highlights the diverse roles that local governments can play in helping families claim this important resource. To assist municipalities in developing an EITC campaign, the guide offers concrete steps, advice from existing campaigns, specific roles for elected leaders, city examples, and links to important resources.

➤ What is the Federal Earned Income Tax Credit (EITC)?

The federal Earned Income Tax Credit (EITC) is a tax benefit for low- to moderate-income working families, as well as a small benefit for some workers without children. Workers who qualify for the EITC and file a federal income tax return can receive a refund, even if no taxes were taken out of their pay during the year.¹ While most EITC recipients claim the credit in a lump sum at the end of the tax year, workers with children may be eligible to receive a portion of the credit in their paychecks throughout the year as Advance EITC.

In 2006, the credit provided up to \$2,747 for a parent with one child earning less than \$32,001. Working parents who were raising more than one child and earning less than \$36,348 qualified for up to \$4,536.² Also, there is a small benefit to very low-income workers who are not raising children in their home and are between the ages of 25 and 64.

The EITC is often referred to as one of the most successful federal anti-poverty programs ever developed. The program is administered by the Internal Revenue Service (IRS) and since the credit's inception in 1975, the EITC has grown to become

one of the United States' largest programs to support low-income families. In tax year 2005, the EITC was worth \$42.6 billion — worth more to working families than any other federal program. Approximately 22.7 million families claimed the credit for 2005 with an average refund of \$1,874 — the credit for families with children averaged more than \$2,280.

For more information on the EITC, including state-specific data, go to <http://www.irs-eitc.info/SPEC/> and look at EITC Statistics at a Glance.

Example: Mr. and Mrs. Smith are raising two children, ages 7 and 9. They both work and earned \$25,000 in wages in 2006. They had \$500 withheld for federal income taxes during the year. They are eligible for an EITC of \$2,811. They also qualify for a Child Tax Credit (CTC) worth \$2,000. Their income tax liability for the year is \$150. The Child Tax Credit pays their income tax, with \$1,850 left over as an additional refund. Mr. and Mrs. Smith will receive all of their income tax withholding (\$500) back, their EITC (\$2,811), and the rest of their CTC (\$1,850). Their total federal refund is \$5,161.

Cities can reap a variety of benefits by initiating campaigns that raise awareness of the EITC, provide tax assistance to eligible families, and in some cases, promote additional work supports and help families leverage this credit into longer-term assets.

- ◆ **Promote Family Economic Success:** EITC campaigns raise incomes for local families. According to U.S. Census Data, the EITC in 2002 lifted 4.9 million people above the federal poverty line, including 2.7 million children – more than any other federal aid program. Moreover, those campaigns that help families retain and leverage their EITC refunds make families more financially secure and boost key indicators of self-sufficiency, such as homeownership.³

- ◆ **Combat Predatory Practices by Paid Tax Preparers and Lenders:** More than 68 percent of low-wage earners who claim the EITC use commercial tax preparation agencies,⁴ which frequently charge exorbitant fees and aggressively market “rapid refund” loans with triple-digit interest rates. To preserve the value of the credit for local families, EITC campaigns often support free or low-cost tax preparation, financial education, and partnerships with financial institutions to offer low-interest refund loans as an alternative to predatory products.
- ◆ **Inject Federal (and State) Funds into Local Economies:** Efforts to connect

¹ The EITC is based on the amount of earned income, which includes wages reported on a W-2 and self-employment income reported on Form 1099-MISC.

² Earnings limits for married workers were slightly higher: \$34,001 for families with one child and \$38,348 for families raising more than one child. Source: Center on Budget and Policy Priorities.

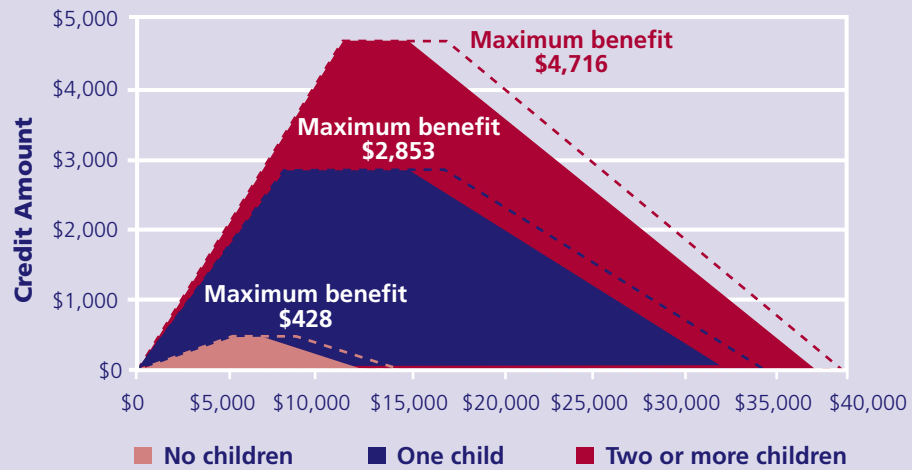
³ Source: Center on Budget and Policy Priorities.

⁴ Source: Internal Revenue Service.

The Federal Earned Income Tax Credit in Tax Year 2007

(Source: Center on Budget and Policy Priorities, 2007)

The Federal Earned Income Tax Credit in Tax Year 2007



Note: Married couples with income in the phaseout range qualify for a higher credit than single parents — shown by the dashed lines.

workers to the EITC bring millions of federal – and in some cases state tax credit – dollars into the community, which then circulate through the local economy creating a ripple effect many times the size of the original refund. As a result, this new money strengthens neighborhoods, assists small businesses, and spurs local economic development.

◆ Strengthen the Local Workforce:

Employers are always looking for new strategies to recruit and retain qualified employees. By supporting EITC campaigns, cities can help employers put together of package of wages and tax benefits that make families more financially secure. Through the Advance EITC, employers can essentially provide a raise of \$1 to \$2 per hour at no cost.

Mayors and other city officials can – and in many cases do – play a key role in launching or supporting EITC campaigns. In addition to the substantial benefits noted above, political leaders

who promote the EITC generate positive press and boost political support as they visibly help local residents put more money in their pockets.

The remaining sections of Part I of this toolkit lay out the common elements of an EITC campaign, provide city examples, and outline NLC support for municipal EITC activities. Part II covers key steps to preparing for an EITC initiative. Part III offers ideas about conducting an outreach and public awareness campaign. Part IV provides specific considerations for providing free tax preparation services and highlights some suggested post-campaign activities. Part V looks at how communities can move beyond the EITC by conducting complementary outreach for additional public benefits, and Part VI reviews asset building opportunities. Appendix A includes a list of additional resources for each of the key topics covered in the toolkit. Appendix B includes contact information for IRS regional offices.

What Does an EITC Campaign Include?

An EITC campaign can range from a simple effort to raise public awareness about the credit to an in-depth initiative that not only informs families but also helps them claim and make the most out of this benefit.

The primary goals and activities for EITC campaigns generally include one or more of the following:

- ◆ Increase the number of families who know about and claim available tax credits through outreach and public awareness;
- ◆ Increase the amount of tax credits and overall refunds that actually reach low-income working families and neighborhoods by reducing transaction costs related to filing taxes and converting refunds into cash through free or low-cost tax preparation and alternatives to high-interest refund anticipation loans;
- ◆ Increase the number of families who claim not only the EITC but also related tax credits and other benefits by expanding the reach of existing public awareness and tax preparation programs; and
- ◆ Assist low-income families in using their tax refunds to build assets by promoting financial literacy, credit counseling, and connections to savings and investment opportunities.⁵

Most new campaigns start out by tackling only a portion of the activities described above. For instance, a mayor or councilmember may choose to focus on outreach and public awareness to raise the visibility of the tax credit in the first year, and then expand to other activities in future years. This is not necessarily a linear process, however, and some cities find other strategic opportunities on which to build, such as a savings or

homeownership campaign or a neighborhood empowerment project, that may already include several aspects of a potential EITC campaign.

Clearly more ambitious campaigns require more staff time and resources. On the other hand, campaigns that simply focus on public awareness without addressing tax preparation needs or helping families convert refunds into longer term assets will not have the same financial impact for eligible residents and the local economy. Each city will need to weigh these factors in deciding on short- and long-term goals. This toolkit offers an overview of what a full-blown campaign might include so that municipal leaders have access to a more complete menu of options for maximizing the impact of the EITC.

What Do City-Led EITC Campaigns Look Like on the Ground?

Across the country, in cities and towns of all sizes, city officials are taking steps to maximize the impact of the EITC for local families and economies.

San Antonio, Texas

(Population: 1.2 million)

In a large city like San Antonio, Texas, where an estimated \$50 million in potential EITC benefits remain unclaimed, the city leads EITC outreach and free tax preparation efforts through the Department of Community Initiatives (DCI). In the 2002 tax-filing season, DCI operated 12 free tax preparation sites and mobile teams in San Antonio, completing nearly 6,500 returns (including more than 200 city employees). These efforts returned a total of almost \$6 million in EITC and Child Tax Credit benefits to local working families.

⁵ Source: Annie E. Casey Foundation.

Some of the city's more creative efforts have included training over 80 young people in the city's Youth Opportunity Program to provide electronic tax preparation assistance citywide; utilizing mobile teams to serve workers at their place of employment; and conducting targeted outreach specifically to low- and moderate-income city employees, DCI program participants, and workers in the hospitality industry.

In addition, the city is promoting savings through individual development accounts that offer public matching funds for family savings. These savings can then be used to make long-term investments, such as purchasing a home, paying for higher education or job training, or starting a small business.

"We are trying to get ahead of the curve," said DCI Director, Dennis Campa. "We want to connect families to tax credits and savings options so they are less likely to need emergency services down the line."

Dayton, Ohio

(Population: 166,000)

Even in communities where there is not a city department that manages these efforts, city leadership can be crucial to developing a strong coalition and getting the word out to local families. In Dayton, Ohio, City Commissioner Dean Lovelace helped form a broad-based coalition to increase public awareness of the EITC and similar supports for working families. Since they began promoting the credit in 2001, Dayton's efforts have grown substantially. In 2003, Dayton's free tax preparation sites electronically filed more than 500 returns for local families and generated EITC refunds of over \$226,000, and total federal refunds of over \$518,000.

"The Earned Income Tax Credit is an excellent way for lower wage-earners to save money on their federal tax returns," Commissioner Lovelace asserts.

Dayton has a strong outreach and public awareness effort, tapping the resources and networks of the members of their EITC collaborative, including banks, businesses, the Chamber of Commerce, community action agency, public housing authority, public schools, child development center, county job center, neighborhood-based non-profit service providers, and the United Way.

The city has also gotten the EITC message out through a variety of venues, from bus placards to paycheck stuffers and the city's website. Commissioner Dean Lovelace has a regular public access show where he promotes the importance of filing for EITC and the Child Tax Credit and on which they have borrowed and aired videos produced by the IRS and another community.

Like San Antonio, the City of Dayton also promotes an Individual Development Account program operated by a local community-based organization.

Hattiesburg, Mississippi

(Population: 50,000)

Astonished to find out that in a community the size of Hattiesburg, Mississippi, the IRS estimated that approximately \$5 million was not being claimed by EITC eligible filers, Mayor Johnny DuPree took action to put those dollars back in families' pockets.

Mayor DuPree led the city's effort by initially joining forces with a local financial institution, the IRS, and the American Association of Retired Persons (AARP) to launch the Mayor's Financial Education Initiative. The Mayor, along with councilmembers and other key community leaders, have gotten the word out through local radio, newspaper and television interviews; public speeches at neighborhood associations and teacher meetings; and the distribution of written pamphlets in stores, schools, and churches. Through their first

year efforts, they helped an additional 499 residents claim the EITC through free tax services and raised the overall visibility of the credit. As a result, Hattiesburg residents received more than \$1.8 million in EITC refunds over prior year returns.

As soon as the tax season came to an end, the Hattiesburg coalition started discussing how to better organize the initiative for the next filing season. The coalition divided responsibilities among board members so that the campaign is truly a joint venture.

"This is one of the best programs that the City, businesses, and non-profits can get involved in because there is such a tangible financial benefit that is immediate," DuPree said. "And we are fortunate to have such great community partners to make this happen."

Opportunities for Support from NLC

Municipal leaders who are interested in launching or supporting local EITC campaigns do not have to go it alone. The Institute for Youth, Education, and Families (YEF Institute), a special entity within the National League of Cities, can help. In addition to several written resources, such as the *Helping Working Families* action kit and this more comprehensive toolkit, YEF Institute staff stand ready to assist cities by:

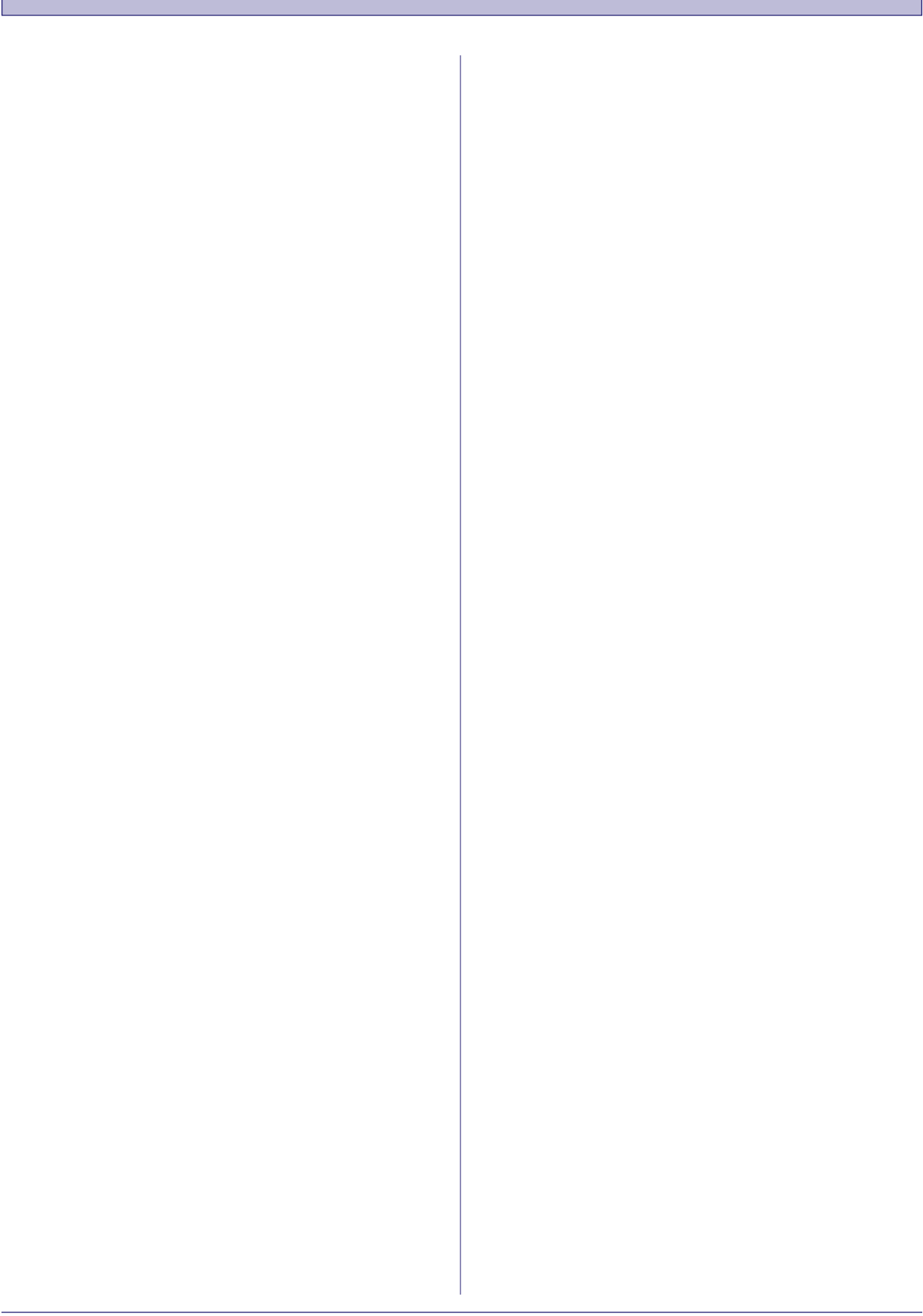
- ◆ **Providing City Examples:** A growing number of cities across the country are initiating EITC outreach campaigns, offering free tax preparation assistance, and promoting asset development to their citizenry. These cities serve as a vital resource for other municipal leaders interested in developing new campaigns. The city examples provided throughout this kit

provide a sample of the insights and ideas that are available through NLC.

- ◆ **Fostering EITC Peer Networks:** Since 2001, NLC has sponsored annual convenings of municipal officials and staff who are interested in or actively promoting the EITC. These sessions foster peer-to-peer networking and information exchange on best practices and key challenges in this arena. These meetings are typically connected to a broader EITC networking conference hosted by the National Community Tax Coalition (NCTC). While NCTC is not solely focused on the efforts of municipalities, NLC encourages cities to take advantage of the training, technical assistance, and networking opportunities this coalition provides.
- ◆ **Facilitating Local Partnerships through National Membership Groups:** NLC's YEF Institute helped establish a National EITC Outreach Partnership to improve communication among a large number of national organizations that are actively informing local members about the opportunity to promote the EITC. Through this group, NLC is able to provide targeted materials to city officials seeking to engage other stakeholders in local EITC campaigns and, if needed, can facilitate outreach to these stakeholders through their national associations.
- ◆ **Connecting Cities to Support from the Internal Revenue Service:** The Internal Revenue Service (IRS) works with local and national groups around the country to increase education about the federal EITC and establish or strengthen free tax preparation sites. Through its Stakeholder Partnership, Education, and Communication (SPEC) Division and field offices, the IRS can provide resources and support to local groups interested in launching a free tax preparation site.

◆ **Helping Cities Locate Additional**

Resources: In addition to the municipally-focused assistance that NLC can provide, the YEF Institute can also connect city officials to other organizations that offer high quality materials or technical assistance related to EITC outreach campaigns, free tax preparation, complementary outreach to promote other benefits for working families, or asset development strategies. For instance, the Center on Budget and Policy Priorities in Washington, DC, has a comprehensive kit on EITC outreach, and the Annie E. Casey Foundation has developed a strong set of best practices based on communities they have funded to promote family economic success. These and other resources are listed in the last section of this toolkit, and YEF Institute staff can help facilitate connections as needed.



PART II:

Laying the Groundwork for an EITC Campaign

For cities that are launching new efforts to promote the EITC, it is important to build a strong foundation by assessing community needs, building a diverse and engaged coalition, setting goals, developing a budget, and seeking funding and in-kind resources. While this section is primarily geared to cities that are starting new campaigns, it does include important elements – including a sample timeline – for existing campaigns as they prepare for a new season.

Sample Timeline

Below is a sample timeline that walks through the primary activities included in an EITC initiative that includes outreach and free tax preparation, as well as potential links to multi-benefit outreach and asset development.⁶ These activities are described in more detail in the remainder of the kit. The timeline sets out a flow of activities that allows for planning and building relationships to optimize what can be accomplished.

Realistically, most new campaigns do not get started until the fall, when the tax season is approaching and the needs of working families are more prominent. The activities below can be condensed into a much shorter timeframe as needed. While a city starting this process late in the fall may choose to focus on educating eligible families about the credit or may launch only a limited number of free tax preparation sites, they can still have a tremendous impact and finish the tax season well-prepared to expand over the next year.

⁶ Some elements of this section based on a timeline prepared by the Community Action Project of Tulsa County.

June:

- ◆ Assess community needs to better understand what activities are most appropriate, what services or initiatives currently exist, and who the key stakeholders will be to move the effort forward.
- ◆ Reach out to potential partners to build a coalition, perhaps through a community meeting. If an outreach or free tax preparation initiative currently exists, join their conversations to discover how the city can get engaged and discuss possible expansions to their current efforts.
- ◆ Seek support from the National League of Cities and other national and state organizations and networks involved in this work. (See Appendix A for a list of resources.)

July:

- ◆ Begin to develop an organizational structure for the coalition, with clear leadership and a division of labor for the various components of planning and implementation that will be necessary for an effective campaign. Establish a plan for regular communication among coalition members.
- ◆ Decide on a name for the initiative.
- ◆ Work with the coalition to develop short- and long-term goals, understanding that a new effort may need to start small and grow in future years.
- ◆ Develop a campaign budget that addresses the goals identified for the upcoming tax season. Identify existing resources within the coalition and begin pursuing additional funding, donated items, and in-kind services.
- ◆ Begin identifying potential free tax preparation sites.

August:

- ◆ Contact the IRS to discuss options for volunteer training, tax preparation software, and other possible support. If the IRS will not be providing volunteer training, begin developing a training program.
- ◆ Develop a volunteer recruitment plan and begin recruiting volunteers.
- ◆ Develop a marketing plan, including crafting an educational message, choosing a method of communicating the location of free tax preparation sites (*e.g.*, calling 211 or another local hotline, listing locations in written materials, etc.), and developing relationships with institutions, networks, and media outlets and that can help spread the word at the appropriate time. This includes advance planning with organizations that will include notices in bills, with pay stubs, or printed onto bags or restaurant tray liners.
- ◆ Consider the coalition's need for one or more AmeriCorps volunteers to help with the campaign. If needed, submit application.

September:

- ◆ Determine what tax return services will be provided and how to handle tax filers who do not meet these criteria. For example, what is the income limit for those who can receive free tax services? What types of returns will be prepared (*e.g.* will sites do self-employment returns, itemized deductions, rental income and expenses, etc.)? Will sites serve as an acceptance agent for immigrants who need to apply for an Individual Taxpayer Identification Number?
- ◆ Determine if other services will be provided at the tax assistance sites, such as screening for other benefits or opening new bank accounts. If

so, make sure that the appropriate partners are prepared to perform these functions on-site.

- ◆ Finish locating sites for free tax preparation and develop written agreements about how these sites will be operated.
- ◆ Contact the IRS to ensure that proposed tax preparation sites have registration numbers and Electronic Filing Identification Numbers (EFINs).

October:

- ◆ Determine what information will be collected during tax season and set up that data collection process (*e.g.*, create a form for the greeter to use, add questions to the electronic tax preparation software, etc.).
- ◆ Identify or purchase equipment for free tax preparation sites (*e.g.*, computers, copiers, printers, fax machines, telephones). Community-based resources should be pursued prior to direct purchase.

November:

- ◆ Begin volunteer tax preparer training (if software is available from prior year) and provide volunteer orientation.
- ◆ Start conducting informal outreach to participants in related programs (*e.g.*, financial literacy classes) to encourage them to use free tax preparation services in January.
- ◆ Identify volunteers from prior years (if available) or with tax preparation experience (*e.g.*, retired accountants) to serve as on-site mentors to new volunteers.
- ◆ Hire any paid staff needed for the tax season.

December:

- ◆ Conduct greeter training and continue to offer tax preparer training.
- ◆ Provide opportunities for volunteer tax preparers to practice skills developed in the formal training.

January/Mid-February:

- ◆ Begin public education and outreach in the first week of January, perhaps kicked off by a mayoral or city council press conference.
- ◆ Continue and/or offer refresher training to volunteers.
- ◆ Install, test, and update tax preparation software.
- ◆ Conduct walk through sessions prior to opening each site to ensure that the space is set up appropriately, the equipment works, and staff and volunteers feel comfortable working on site with the current set up.
- ◆ Open sites and prepare for the largest demand during the last week of January and first week of February when most workers are receiving their W-2 forms.
- ◆ Boost visibility of the EITC and other services through strong emphasis on outreach and marketing.
- ◆ Monitor the flow of tax filers and the quality of service provided and be prepared to make mid-course corrections.

Mid-February – Mid-March:

- ◆ Reduce the numbers of volunteers assigned to free tax preparation sites due to lower demand during this stretch of time.

Mid-March/Mid-April:

- ◆ Boost numbers of volunteers again between mid-March and mid-April to handle a second big wave of tax filers.

Late-April/May:

- ◆ Host a volunteer appreciation activity.
- ◆ Analyze data, report results, and evaluate the initiative's performance.
- ◆ Share return on investment information with city officials.
- ◆ Prepare to handle tax return errors and provide post-filing season assistance.
- ◆ Start planning for the next tax season.
- ◆ Continue other benefit outreach and asset development programs year round.

Assessing Community Needs

Whenever planning begins, it is helpful to think strategically about what the community needs, what services or initiatives currently exist, and who the key stakeholders will be to help move the effort forward. Key issues to assess include:

Current and Potential EITC Recipients

Analyzing available data on current and potential EITC recipients can be useful in helping generate support for EITC initiatives and strategically target outreach initiatives. Local IRS Territory Managers can provide state, city, county, and zip code level EITC data to EITC campaigns (See Appendix B for a list of IRS Territory Managers). Zip code-level

data is also available from the Brookings Institution at: <http://apps89.brookings.edu:89/EITC/>.

Based on a conservative national estimate, 15 percent of eligible filers do not claim the EITC. This group of non-claimants is roughly equal in number to 18 percent of those who currently do claim the credit. To get an estimate of potential impact of EITC outreach in a community, city leaders can request local data on the number of EITC claims filed and refund dollars received and then use a simple formula to calculate the money currently being left on the table.

First, cities can calculate the likely number not claiming the credit by multiplying current EITC filers by 18 percent (0.18). Second, cities can estimate the benefit amount for non-claimants by multiplying the current average benefit by 75 percent, reflecting the fact that the amount of the credit is, on average, lower for those who currently do not claim it. Third, cities can then multiply this number by the estimated number not claiming the credit to get a ballpark figure for the federal tax credits that are now going unclaimed.⁷

For example, if a city had 10,000 people currently claiming the EITC with an average refund of \$1,782, the calculation would work as follows:

- ◆ **Step 1:** $10,000 * 0.18 = 1,800$ eligible but not claiming the EITC;
- ◆ **Step 2:** $\$1,782 * .75 = \$1,337$ estimated benefits for those not currently claiming;
- ◆ **Step 3:** $1,800 * \$1,337 = \$3,207,600$ estimated money left on the table citywide.

If one uses an economic multiplier to estimate the impact of these resources as they circulate through the local economy, the economic impact can be several times greater.

⁷ Source: Alan Berube, The Brookings Institution.

➤ Indianapolis, Indiana

The Greater Indianapolis Progress Committee, a nonprofit connected to Mayor Bart Peterson's Office, conducted a survey in order to identify a target population for their local EITC campaign. Based on their analysis that many low-income Hispanics were not claiming the EITC, coalition members chose to specifically target three neighborhoods with a high concentration of Hispanic families. This targeting allowed the campaign to tailor their partnerships, messages, and materials in order to better reach the families in these communities. For instance, they sought the involvement of various local Hispanic organizations in their coalition; established good relationships with local Spanish-language press and distributors of neighborhood newsletters; prepared public education materials in both English and Spanish; and drew upon the expertise of local universities who helped recruit Spanish-speaking volunteers to serve as interpreters at tax preparation sites.

Data mapping can also help inform the EITC campaign design process. City planning departments or geographical information systems (GIS) specialists can create maps that demonstrate the concentration of local EITC filers.⁸ Cities may want to overlay census or other local data on average income in various neighborhoods to get a sense of whether there are areas where there are likely to be eligible families who are not claiming the credit. GIS maps may also include the location of financial institutions, tax preparation agencies, check-cashing stores, key employers, and community agencies promoting economic development in low-income communities.

In addition, the Brookings Institution has developed several reports that can provide models to local outreach campaigns interested in mapping EITC receipt. These reports are available online at: <http://www.brookings.edu/es/urban/eitc/index.htm>.

- ◆ “*A Local Ladder For The Working Poor: The Impact of the Earned Income Tax Credit in Metropolitan Areas*,” shows where EITC claims and refund dollars are concentrated in 100 of the nation's largest cities.

- ◆ “*Rewarding Work: The Impact of the Earned Income Tax Credit*,” is a series of 27 regional analyses that provides data on the number of EITC claimants in particular cities.

Based upon this research into where EITC refunds are currently going and where potentially eligible families may be clustered, a campaign may want to consider targeting certain populations or neighborhoods within the city. Targeting can also boost a campaign's effectiveness by concentrating limited resources in areas and on populations with the most need. For example, EITC outreach is critical in neighborhoods where most workers earn low wages and are very likely to qualify for the EITC. In addition, outreach can be particularly helpful in neighborhoods where English is a second language for many households, because these families typically claim the EITC at a lower rate due to language barriers.

The State of Tax Preparation for Low-Income Workers

During the design phase, it is also important to find out how low-income, working families currently handle taxes and interact with financial institutions in the city or in a targeted neighborhood. EITC campaigns should attempt

⁸ This data can be provided at the zip code level by the IRS.

to find answers to the following questions: Where do families go now to get their taxes done? What do they like or not like about these services? What tax preparation services are available? How much do these cost? What has been the scale of free or low-cost tax preparation operations in previous years? What local groups and organizations already are involved in EITC outreach, tax preparation, and wealth-building activities? What are local employers doing about tax outreach and tax preparation? What are the local politics concerning any existing free tax preparation sites and the existence of paid tax preparers who may be promoting high-cost refund loans?⁹

Again, the local IRS Territory Manager can be a useful source of important information for new EITC campaigns. (See Appendix B for contact information.)

In addition, city leaders and their campaign partners can learn a great deal about where to target services by looking at where the commercial tax preparation providers currently set up shop. For instance, in the Brookings Institution's publication, *"The Price of Paying Taxes: How Tax Preparation and Refund Loan Fees Erode the Benefits of the EITC,"* the author notes that "High-EITC zip codes are home to 50 percent more electronic tax preparation services [like H&R Block or Jackson Hewitt] per filer than low-

EITC zip codes." As noted above, this can be a useful data element if the city is utilizing GIS technology to help determine target populations.

Connections to Financial Institutions and Assets

The EITC can represent the largest sum of money that a family holds during the year, yet nearly 10 million (9.2 percent) households do not have a bank account of any kind, including almost 5.7 million (32 percent) families earning less than \$15,000 a year.¹⁰ Additionally, fully one-quarter of the United States population is asset-poor today. This means that, if they had to live only on their net worth – savings, home equity, and other assets – they could survive at the poverty level for three months.¹¹ Therefore, it may be helpful to evaluate how many low-income workers are linked to financial institutions and how many lower income workers have assets such as homes.

CFED prepares the *State Asset Development Report Card* (SADRC) — a tool that captures the most up-to-date data available on asset distribution and policy for each of the 50 states. The Report Card provides data on a state-by-state basis and considers 68 socioeconomic and policy measures to compare states on how assets are accumulated, distributed, and protected among their citizens. For more information, visit: <http://sadrc.cfed.org/>.

► Fort Wayne, Indiana

Interested in increasing EITC claims among working families in Fort Wayne, Mayor Graham Richard announced the formulation of a city-wide EITC campaign. While there were already eighteen existing AARP sites throughout the city, the team found that sites were not in the best locations nor did they have the most convenient hours to serve low to moderate-income families that qualify for the EITC. Fort Wayne used this information to strategically plan "super" tax sites that would have convenient, long hours. In addition, the city found that residents in predominantly Hispanic neighborhoods were in need of free tax preparation services and carefully designed and disseminated outreach messages and materials targeted to this population.

9 Source: The Annie E. Casey Foundation.

10 Source: Craig Copeland, using the Federal Reserve Board's 2001 Survey of Consumer Finances.

11 Source: R. Haveman, & E. Wolff (2001). *Who are the Asset Poor? Levels, Trends, and Composition, 1983-1998*. Madison, WI: Institute for Research on Poverty at the University of Wisconsin-Madison.

A Special Note on Constraints and Opportunities for Rural Towns

As part of any effort to analyze community needs, it is important to keep in mind the unique constraints and opportunities that arise based on the size and location of the municipality.

The need for EITC outreach and free tax preparation is just as great in rural towns as it is in large cities. The Brookings Institution recently reported that nearly equal numbers of low-income working families live in large cities and rural areas according to IRS data. A study of IRS data on receipt of the Earned Income Tax Credit (EITC) in tax year 2001 reveals that families in the rural South are more likely to earn low incomes than those in any other part of the nation.¹²

Nevertheless, an EITC campaign may look very different in rural towns than in an urban metropolitan center. For instance, there may be few or no city employees and a limited nonprofit infrastructure to coordinate and staff the effort. Distance may also make it more difficult to create a strong volunteer base to promote the EITC or provide affordable tax preparation. Further, the IRS may not provide free tax preparation software, as they have begun to target locations that can serve a higher volume of clients.

Some rural communities have addressed these challenges by working with paid preparers (many of whom municipal leaders and staff know from other contexts) to offer affordable services to lower-income working families. For instance, a rural coalition in southwest Iowa operated exclusively through local accountants and other tax preparers to offer free tax services to eligible community members, either during specific hours or up to a certain number per site. Alternatively, the use of technology – for example, the I-CAN! self-preparation program described in Part IV and in

Appendix A of this kit – can help bridge physical distance while reducing the number of staff needed.

Another major issue that most small towns and rural areas face is that eligible filers may have to travel substantial distances to reach a free tax preparation site, and they may not have reliable transportation. The community of Hazard, Kentucky, has worked to centrally locate sites and provided one roving site to serve eligible filers. Due to longer travel times, Hazard organizers have found that in their rural community it has been helpful to mainly operate on an appointment system while still serving walk-in filers.

On the other hand, smaller towns offer some unique opportunities to work collaboratively and provide more personal outreach because participating organizations have often already developed a sense of trust – with each other and with the families to whom they are reaching out. For example, in Hazard, Kentucky, tax sites are connecting filers to local housing nonprofits, bank accounts, and financial literacy classes. Many small town papers are also anxious to run articles and advertisements that assist local residents, and television and radio spots may be easier to place because of pre-existing relationships among the various partners.

Building and Branding a Local Coalition

While EITC campaigns come in different shapes and sizes, many communities have had success using a coalition model that taps into the resources and capacity of multiple stakeholders. While it is certainly possible to run a campaign primarily through the city or another local organization, having many groups participating in an EITC initiative increases the number of

¹² Source: Alan Berube and Thacher Tiffany. The "State" of Low-Wage Workers: How the EITC Benefits Urban and Rural Communities in the 50 States. February 2004: http://www.brookings.edu/urban/publications/eitc/20040203_berube.htm.

➤ Rochester, New York

The City of Rochester, New York is helping provide free tax preparation services to Rochester residents by partnering with a United Way-led coalition called C.A.S.H. (Creating Assets, Savings, and Hope). The city provided \$20,000 in funding to the coalition and sponsored local members' attendance at the National Community Tax Coalition's training conference. With the city's support, 350 local volunteers completed 2,546 tax returns bringing in an estimated \$5,000,000 to Rochester residents. The city also subsidized volunteers parking costs during training and hosted a volunteer recognition party at the end of tax season.

residents that a campaign is likely to reach, improves long-term sustainability, and reduces the burden on any one entity. In fact, recent research by Michigan State University documents that the coalition model gets a higher impact relative to cost than other models.

Before setting out to build an EITC coalition, examine the current status of any existing community efforts in order to maximize resources and not duplicate ongoing initiatives. In some cities, a coalition of organizations interested in EITC issues may already exist and a local official could simply work with the coalition leadership to find ways for the city to contribute to existing efforts.

In other cases, there may be organizations that are already engaged in some aspect of EITC outreach, free tax preparation, or asset development, but these efforts may not be coordinated. To bring individual efforts together, the city may want to take a leadership role and consider hosting a joint meeting to see if there is interest in building a more comprehensive city-wide effort.

Finally, in some cities, there may not be any existing efforts on these issues and interested city leaders will need to take additional steps to educate and engage potential partners.

Potential Partners

To establish a broad range of partners, think creatively about how the EITC benefits or fits with the mission of various sectors of the community. Some examples include:

- ◆ **Local businesses (and business organizations like the Chamber of Commerce)** are interested in helping employees improve their financial security and may also benefit from the additional federal funds circulating in the community.
- ◆ **Financial institutions**, which are often interested in developing new business and demonstrating their support for the community, can be critical partners, particularly if the coalition seeks to include any banking or other asset development components in the campaign.
- ◆ **Utility companies** are interested in ensuring that families can pay their bills and have great outreach mechanisms through monthly billing and customer service centers (which may also serve as good tax preparation sites).
- ◆ **Community, cultural, and faith-based organizations** will want to help local residents and parishioners and can get the word out to both potential volunteers and EITC-eligible families.

- ◆ **The United Way** works with organizations throughout the community and can often help convene, and in some cases provide resources, for EITC efforts.
- ◆ **AARP** runs the Tax Aide program, which operates free tax preparation programs in many communities.
- ◆ **Foundations and other potential funders** are important members of coalitions for the financial support they may provide, the relationships they have in the community, and often, the expertise they can bring to the table.
- ◆ **IRS territory staff** can be important sources of technical guidance, volunteer training, tax preparation software, and in some cases, other support.
- ◆ **Unions**, especially those serving individuals likely to be eligible for the EITC, can be strong allies.
- ◆ **Universities and community colleges** can support training programs for VITA volunteers by offering instructors and computer labs; hosting sites during tax season; recruiting student volunteers; providing student interns to help manage the campaign; offering students as translators; and targeting outreach to service staff and students who are potentially eligible.

In addition to the local coalition, there are many national organizations interested in issues related to EITC that can help facilitate local partnerships. As noted above, NLC helps coordinate a partnership of these national organizations and can help cities utilize these networks to discover other potential partners at the local level. For example, the Washington, DC-based Center on Budget and Policy Priorities can identify community organizations that have received the

Center's EITC outreach kit and have conducted outreach efforts, or Corporate Voices for Working Families can help highlight corporations that have demonstrated an interest in EITC outreach.

Outreach to Key Stakeholders

There are several ways to reach out to potential community partners. Mayors and councilmembers may want to conduct individual outreach to the leadership of key organizations to ask them to participate in the campaign. Some targeted resources are listed in Appendix A of this toolkit and NLC can facilitate connections to other national organizations for tailored materials.

Municipal leaders may also choose to host a larger meeting with community representatives, potential campaign participants, and the funding community to gauge local interest in beginning or expanding an EITC campaign. Suggested agenda items include:

- ◆ Welcome from the city
- ◆ Overview of the EITC
- ◆ Description of the need for EITC outreach
- ◆ Potential impact that an outreach effort could have on eligible residents and the local economy
- ◆ Brief discussion of possible campaign activities
- ◆ Opportunity for invitees to ask questions and commit to supporting the initiative

Whether one-on-one or in a large meeting, it is important to let potential partners know what they could do to support the effort (e.g. serve on a campaign design team, host a free tax preparation site, donate money, recruit volunteers, etc.). While some participants will need time to consider how their organizations can be involved, the city can encourage people to indicate if they are supportive

of the effort and identify the resources they could potentially bring to the campaign. Some communities have used interest or commitment forms at community meetings to jump start the process of following up with potential coalition members and other supporters.

Leadership and Organization

Within the coalition, it is critical to have an individual organization or a core group of organizations responsible for leading the larger group. Some cities have chosen to take on the role of coordinating the coalition, establishing meeting agendas, assigning tasks, and conducting follow up on coalition activities. It should be noted that this can require a substantial amount of time if the community does not already have an existing outreach and free tax preparation infrastructure. Alternatively, some cities may want to have community organizations volunteer to be part of core planning group. This could be an option on the interest form during the community meeting.

Whether or not the city is the lead coordinator for the coalition, many municipal officials have found it critical to have a city staff person assigned to EITC coalition activities. This designation helps ensure the city's participation

in, and knowledge of, coalition efforts. Some of the positions of city staff who currently lead city efforts include: Community Affairs Manager, Public Relations Coordinator, Human Services Director, Neighborhoods Initiative Manager, and Assistant Deputy Mayor.

Finally, smaller working groups can be helpful to more efficiently tackle key elements of the campaign. Depending on the scope of the campaign, these groups may cover key issues such as public awareness, resource development, volunteer recruitment, and development and oversight of free tax-preparation efforts. Partners can volunteer for key tasks of the campaign based on their interests and abilities.

Campaign Branding

With multiple partners engaged in an effort, groups may be interested in creating an identity for the campaign. Louisville, Kentucky, for example, named their coalition the Louisville Asset Building Coalition and used the name on the outreach brochures, media releases, and other campaign documents. The coalition even designed a joint website, www.louisvilleabc.org/eitc.php, highlighting all partners but concentrating on a common message: EITC.

► Chicago, Illinois

When Mayor Richard M. Daley learned that over \$100 million dollars was going unclaimed by Chicago residents, he enlisted the help of a variety of partners to bring these funds back into the pockets of local residents and back into Chicago's local economy. The mayor became the spokesman for the EITC and launched "Mayor Daley's Earned Income Tax Credit Campaign." The mayor reached out to LaSalle Bank CEO Norman Bobins, who agreed to host a Corporate Kick-Off breakfast to get other local businesses engaged. Through this event and other personal outreach, the city received tens of thousands of dollars worth of donated goods and services from partners such as Dominick's grocery chain, Peoples Energy Utility, Hilton Hotels, Blue Cross-Blue Shield, United Airlines, ComEd, the Jewish Federation, and more. Other key outreach activities included an Aldermanic briefing, a community organization breakfast, and two ministers' breakfasts.

Some city officials have been tremendously successful at creating a local identity for the credit. Through the EITC awareness campaign in Chicago, Illinois, the EITC is commonly known as “Mayor Daley’s tax credit.” Not only does this help demystify this federal tax credit for eligible families, but it simultaneously boosts political support for the local champion.

Setting Short- and Long-Term Goals

As noted in the opening section, local efforts to promote the EITC can range from a few simple efforts to publicize the credit to a year-round campaign that includes outreach, free tax-preparation, linkages to other benefits, and opportunities to use an EITC refund as a foundation for asset development. Each city will need to determine appropriate first year goals based on the amount of time they have to plan, the leadership and staff time dedicated to the effort, and the enthusiasm of local partners. While budgets may eventually play a part in shaping what can or cannot be done, fundraising and efforts to generate in-kind contributions can be part of the team’s plan of action so money should not limit a coalition’s plans at the outset.

Moreover, even those coalitions that need to start small may want to begin thinking about what they hope to accomplish down the road based on their assessment of local needs and resources. For instance, a city may find that a significant percentage of families in one neighborhood are not claiming the EITC and have no access to bank accounts. In the short-term, the coalition may choose to educate the community about the credit and set up a few free tax preparation sites. A longer term goal may be to help start a community-based credit union at which EITC refunds could be direct deposited.

The coalition should also think about sustainability and growth challenges during this goal setting process. Will sponsors and volunteers be willing to participate beyond the first year? How will the community find funding to expand the scope of services in future years? It can be helpful for new coalitions to talk to campaigns that have already tackled some of these challenges. The National League of Cities and National Community Tax Coalition both provide regular opportunities for cross-city sharing (see Appendix A for contact information).

Developing a Campaign Budget and Funding Strategy

In conjunction with the short- and long-term goal setting process, it can be helpful to create a budget. This process will help identify the level of resources needed to successfully meet campaign goals.

Campaign Costs

As noted above, EITC initiatives – and the funds needed to carry them out – can range from modest (less than \$10,000 plus some in-kind support) to quite significant (\$700,000 for a very extensive, institutionalized, year-round effort in a large metropolitan area). A more common budget for a significant EITC/free tax preparation campaign in a larger city (500,000 plus) is around \$80,000-\$90,000. This figure is obviously reduced if the city-size and/or campaign scale are smaller.

While much can be done through in-kind contributions, it is worth preparing a budget and the city or coalition generally will still need to generate financial resources to supplement donated goods and services.

Typical costs include:

- ◆ wages for any paid staff;
- ◆ marketing and outreach costs (*e.g.* ad agency costs for a communications plan, design of outreach materials, and/or website design; printing and reproduction of outreach materials; purchase of advertising time, etc.);
- ◆ free tax preparation site costs (*e.g.* space rental, computers and other equipment, tables/chairs, office supplies, phone/internet service); and
- ◆ volunteer recruitment and training costs (*e.g.* mailings/marketing materials, space, food, etc.).

With that said, however, if a city leader is interested, there is always something that can be done, even if there is not an explicit budget for this effort. A press conference by the Mayor or an editorial in the paper can draw attention to the issue. A meeting to ensure that community groups, faith leaders, and cultural networks know about and publicize the EITC can help get the word out. Local advertising firms may do pro-bono work to develop a message and media outlets may donate time for PSAs. Grocery stores and fast food restaurants may be willing to include campaign messages on bags and tray liners. Tax preparation sites can be operated with IRS-trained volunteers out of donated space that already has computers, such as libraries or neighborhood centers, and on-site materials can be donated by local businesses.

Finding Resources

Most EITC outreach and free tax preparation campaigns take advantage of multiple funding opportunities to cover costs of operating their campaigns. Initiative partners may look to local and national foundations, nonprofits and community groups, the United Way, corporations, employers, and private individuals for in-kind and financial support.

- ◆ **City Investments:** A number of cities have recognized the payoff to the local economy and decided to use municipal resources to invest in EITC campaigns. Some cities have committed general fund or Community Development Block Grant (CDBG) dollars for the city's free tax assistance campaign. In Tulsa, Oklahoma, the City Council invests close to \$80,000 a year of CDBG funds in EITC outreach efforts, including public education and access to free tax preparation services. This EITC campaign, which is run by the Community Action Project of Tulsa County, provides nearly a 200-fold return on investment by bringing \$14 million a year in federal tax refunds into the community. In addition, many cities choose to make some strategic investments of staff time, city space, or creative uses of other municipal resources.
- ◆ **Community-Based Organizations:** A modest city investment can also help leverage resources from a variety of community partners, such as civic or volunteer groups, human service agencies, or the United Way. Community-based organizations can provide support in a many ways, including donating space for free tax preparation sites, assisting with mailing and copying, and recruiting volunteers.
- ◆ **The Business Community:** Business leaders across the country have been active partners in EITC outreach campaigns. As employers, they recognize that tax credits can boost their workers' paychecks. As business people, they benefit from added dollars in consumers' pockets. Some municipal officials have hosted corporate breakfasts to engage the private sector. In Chicago, this yielded financial contributions, pledges to put the EITC message on grocery bags, commitments to include information on the EITC in consumer bills, and more. In Milwaukee, Mayor John

Norquist approached local bank presidents and found several willing to host volunteer tax assistance sites and offer families no-fee start up accounts.

- ◆ **Foundation Support:** Leaders can also seek funding from private foundations to develop an EITC outreach campaign or for specific elements of their outreach. Community foundations, in particular, may have a special interest in an area's economic health.
- ◆ **The IRS:** IRS territory staff can help cities identify existing community efforts and form local coalitions. They can also provide information on the EITC program, including public outreach and education materials. Through the Volunteer Tax Assistance Program (VITA), the IRS may train local volunteers to become VITA tax preparers.¹³ IRS can provide tax preparation software and also has some limited capacity to provide loaned computers for use in VITA sites.
- ◆ **State and Federal Funds:** Municipal leaders can also explore how flexible funding for low-income families can be used to improve access to – or even the value of – the EITC. For example, the City of Denver, Colorado, used welfare funds through the Temporary Assistance for Needy Families block grant, to offer a local earned income tax credit. Denver's credit was set at 20 percent of a family's federal EITC award from the past year. The credit, available only to workers with children, ran as high as \$778 for a family.
- ◆ **Financial Institutions:** Banks and credit unions may be willing to put money into local projects or sponsor free tax preparation sites. Financial institutions may want to establish a free tax preparation site both as a community resource and to identify previously unbanked clients.

EITC Campaign Funding Proposals¹⁴

In preparing a foundation proposal or making a pitch to the local business community to solicit needed funds for the city's EITC campaign, it is important to: 1) clearly demonstrate the need for increased receipt of the EITC; and 2) describe how the campaign will reach eligible workers who do not currently claim the credit. Proposals seeking funding to expand an existing campaign are bolstered by solid data from the past tax season. Addressing linkages between EITC efforts and asset development – if this is a part of the local initiative – can also attract a wider variety of funders.

Local statistics on poverty, hunger, unemployment, wages, and cost of living will help make the case for promoting the EITC. IRS data can assist in pinpointing where outreach efforts should be concentrated. These numbers can also highlight how the EITC boosts the local economy.

It is also important to show that the city or the coalition with which the city is working has a clear and compelling strategy to impact these local statistics by reaching working families that have not previously claimed the EITC. Providing a list of campaign partners and explaining the activities the group and individual organizations will undertake to reach out to eligible constituencies demonstrates a community commitment and shows that your campaign has the capacity to access a broad range of workers eligible for the EITC.

Finally, future funding proposals will be strengthened to the extent that a campaign can incorporate ways to track the impact of EITC efforts. Funders will be interested in the amount of money that has come into the community and what this has meant to low-wage workers. Data on outreach may include process indicators – for example, the number of people reached with mailers or PSAs – as well as outcome indicators, such as a data demonstrating how many more

¹³ Note that IRS will only provide training on the preparation of federal income tax returns. Separate arrangements are required for training on state return preparation.

¹⁴ Source: Center on Budget and Policy Priorities.

people claimed the EITC for the first time in one tax season compared to the prior year. Coalitions can quantify the success of free tax preparation sites by reporting the number of tax returns that were filed and the value of EITC claims families receive as a result (See Collecting Data in Part IV).

A tool to help EITC campaigns determine their cost-to-impact ratio, developed by Susan Cocciarelli of Michigan State University and Erica Tobe of the MSU Extension, is available at www.michigan.gov/eitc or by contacting the authors at cocciare@msu.edu or tobee@msu.edu.¹⁵ A sample of the tool is included at the end of this section.

► Laying the Groundwork: Key Roles for City Officials

Make the campaign a city priority

Dedicate city staff to manage or support the initiative

Invite key partners to participate through individual outreach or a community meeting

Weigh in on key neighborhoods and populations to target

Offer city resources to assist with campaign planning

Help garner community, business, and funder support for the initiative

► City Best Advice

Start small and grow

Set measurable short- and long-term goals, considering campaign sustainability

Identify a person or core group to lead the initiative and clearly define partner roles

Ensure that lead staff members have strong collaboration and networking skills

Seek in-kind donations of staff time, goods, and services from local partners

Leverage expertise from national organizations and other local EITC campaigns

¹⁵ This tool will be available by October 2004.



Richard M. Daley
Mayor

CITY OF CHICAGO OFFICE OF THE MAYOR

December 2003

Dear Chicago Business:

Making Chicago's neighborhoods affordable for people of every income, age and background has been one of my priorities as Mayor. Working together with community groups and others across the city, we've created over 100,000 new homes and apartments for people who otherwise might not have been able to afford them. Our new five year plan will add another 48,000 units. And, we've worked to keep city property taxes down and encouraged homeowners to take advantage of all the property tax relief they're eligible for.

Today, I am writing you to ask for your support in another effort to keep our neighborhoods affordable. Four years ago, I launched Chicago's first Earned Income Tax Credit (EITC) awareness campaign. Thanks to the efforts of our Chicago business, government and nonprofit partners, I am proud to say that our annual campaign has been a great success. However, there is still important work to be done in 2004, and we need your help to build and improve upon our previous successes.

The EITC can give much-needed relief to low-income working families. While helping those families make ends meet, the EITC also infuses millions of dollars into Chicago's economy each year. In 2003, the City of Chicago's 25 free tax preparation sites returned over \$21.5 million to about 16,500 families.

Our biggest challenge remains educating employees about the EITC. Thousands of workers who are eligible are not getting the credit, either because they haven't heard about the EITC or do not know how to apply for it. Many eligible Chicago families could be included among your employees. By joining me and reaching out to all of your employees, you can help those that qualify to obtain a cash bonus of up to \$4,204 annually. In addition, as part of our EITC awareness campaign, we will inform employees about the newly expanded Child Tax Credit, now worth up to \$1,000 per child and available to more families, even those who do not owe income taxes.

There are several important ways you can make a difference to Chicago employees and to our economy:

- Notify your employees about the EITC and the availability of the credit by printing information on pay-stubs, displaying posters and distributing materials (example materials enclosed); and



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- Enlist employees to serve as volunteer tax preparers at organizations that help low-income families file for the credit.

If you wish to participate in the EITC awareness campaign, the City of Chicago and its nonprofit partners can provide you with all the necessary resources and information:

- Materials
Please call the Chicago Tax Assistance Center at 312-744-1000 to request the delivery of posters and flyers to your work site.
- EITC Pay-Stub Language
The following language is recommended by the City of Chicago to print on employee pay-stubs:

BOOST YOUR INCOME THROUGH THE EITC! Call 311, the City of Chicago's non-emergency information line, to learn about the Federal Earned Income Tax Credit (EITC).

- Volunteers
Please contact either of the following organizations to enlist your volunteers in the free tax preparation assistance efforts:

The Tax Counseling Project (TCP)	312-252-0280
Tax Assistance Program – It Adds Up (TAP)	312-466-0771

Both TCP and TAP can coordinate your employee volunteer activities.

If you have any questions, please feel free to contact Myer Blank, Executive Director of the Chicago Tax Assistance Center, at 312-744-1000.

I look forward to working in partnership with you and thank you for your assistance with this important issue.

Sincerely,



Mayor

Draft Proposed Budget for Louisville Asset Building Coalition

	<u>2004-05</u>
Project Coordinator (1 FTE)	\$40,000
VITA Site/Training Coordinator (.25 FTE)	\$10,000
VITA Site Coordinator Stipends (15 x \$2,500)	\$37,500
Volunteer Recruitment & Scheduling Coordinator (.2 FTE)	\$8,000
Financial Literacy & Services Coordinator (.25 FTE)	\$10,000
Asset Building Case Management at One-Stop Workforce Development Location	\$20,000
Marketing Expenses (total) (includes design and production of all materials and coordination of outreach efforts)	\$25,000
Marketing Ambassadors includes stipends for marketing ambassadors and coordination of effort	\$20,000
Total Cost	\$170,500

+ Sample Cost-to-Impact Tool (Source: Michigan State University)

Costs to Impact Tool

A Tool for Collecting Tax Information at the Coalition Site

Somewhere County 2004

Inputs	Estimated Costs
<i>From easiest to hardest to measure</i>	
Staff Total	\$9,949
Coalition Host Staff (\$5,320)	
Contractors (\$3,402)	
SMCAA Staff (\$1,227)	
Administrative Expenses Total	\$3,680
Materials/Duplication/Marketing (\$1,035)	
Postage (\$4)	
Travel (\$443)	
Admin Supplies SMCAA/Volunteer Recognition (\$2,198)	
Site Expenses: Space and Computers Total (Based on IRS Unit Value Cost)	\$1,100
TOTALS	\$14,729
Cost to Impact Ratio: For every dollar of input:	\$ 29.13
Less Monetary Contributions:	\$ 9,600.00
MSUE Contract Award and SWMCAA	
TOTAL Expended	\$5,129

Outcomes	Estimated Impact
Returns Filed	156
Tax Federal Refunds	\$385,475
EITC (90,048)	
Money Saved for free tax services (estimated @ \$200 per return/local average spent on tax services)	\$31,200
Volunteer Time (705 hours @ \$17.48 based on Independent Sector analyses of national volunteer wage)	\$12,323
	\$428,998

****Note:** the authors of this tool are Susan Cocciarelli, Academic Specialist for CS Mott Group for Community Food Systems CARRS at Michigan State University; and Erica Tobe, MSU Extension Program Leader. For more information or to produce your own cost/impact analysis, visit: www.michigan.gov/eitc.

PART III:

EITC Outreach and Public Awareness

Conducting appropriate outreach activities is often the first step toward a successful EITC campaign. According to experts, approximately 15 to 20 percent of eligible EITC filers do not claim the credit. City leaders can be instrumental in helping boost resident awareness about the credit and can play a vital role in elevating a campaign's activities.

While it is important to reach out to potential partners and funders (covered in Part II), volunteers and

potential clients (covered in Part IV), and families that are eligible for other benefits or asset development programs (covered in the Parts V and VI), this section will focus on outreach to raise awareness about the EITC among eligible workers.

Creating Messages Tailored to Your Audience

When creating a message to spread the word about the EITC, remember to keep the message straightforward, simple, and, if written down, eye-catching.¹⁶

¹⁶ Source: The Annie E. Casey Foundation.

Some sample slogans include:

- ◆ Earn it! Keep it! Save it!
(Annie E. Casey Foundation)
- ◆ You Earned It. Keep it. Make it Grow.
(South Carolina)
- ◆ Make Tax Time Pay!
(Center on Budget and Policy Priorities)
- ◆ Give Your Paycheck a Boost
(Center on Budget and Policy Priorities)
- ◆ Give Your Earnings a Boost
(City of Los Angeles)
- ◆ Earned Income Tax Credit:
It Makes Dollars and Sense
(City of Chicago)
- ◆ Earned Income Tax Credit:
It's Money in Your Pocket
(City of Chicago)
- ◆ Put Tax Money Back in Your Pocket
(Pennsylvania)
- ◆ Find Out if the Government Owes *You* Money!
(City of Boston)
- ◆ Get Money Back from Your Taxes
(Oregon)
- ◆ It's Your Money. Why Not Make the Most of It?
(Delaware)
- ◆ Tired of Being Shaken Down
by Expensive Tax Filers?
(New Orleans)

It is also important to consider the audience when designing EITC outreach messages. Analyzing where targeted families live and work, as well as understanding cultural uniqueness, can assist in developing effective communication methods to particular audiences.

For example, when working in an immigrant community, it may be obvious to consider conducting outreach in the dominant language with translations done by native speakers. But it is also important to tailor the message to the unique concerns of the audience. For instance, individuals who are not citizens may not realize that they can still benefit from filing taxes and can use an Individual Taxpayer Identification Number (ITIN) to do so (For more information on ITINs, see page 53).

In addition to adapting messages from national organizations or other local campaigns (see below), a city may want to approach a local advertising agency for in-kind support in developing messages and campaign materials.

It is important that all messages point people to free tax assistance site locations and/or hotlines for more information. They should also clarify what identification and tax documents they should bring to tax sites (see samples at the end of this section). Before finalizing any written materials or advertising copy, make sure telephone numbers, financial figures, and foreign language translations are accurate.¹⁷

Developing Multiple Strategies for Message Delivery

Campaigns need not utilize a single vehicle to deliver the initiative's message. In fact, it is important for residents to hear EITC messages multiple times from several sources. Many low-income communities are mistrustful of goods and services that sound "too good to be true." Utilizing appropriate messengers is one way to overcome potential and actual mistrust of the community toward the EITC campaign and its services.¹⁸

¹⁷ Source: The Annie E. Casey Foundation.

¹⁸ Source: The Annie E. Casey Foundation.

The following are some suggested message delivery vehicles:

Community Institutions

Location matters. Displaying posters, distributing flyers, and showing educational videos in well-traveled areas can expedite resident awareness about the EITC. Hosting informational open houses where potential EITC filers congregate is also an excellent way to boost awareness.

Enlist the support of institutions and organizations that are in frequent contact with the target audience – such as churches, schools, unions, public housing associations, community-based organizations, libraries, recreation centers, food banks, health clinics, child care centers, government agencies, employment offices, grocery stores, restaurants, barber shops, hair dressers, nail salons, and laundromats.

For instance, consider asking religious leaders to inform congregations about EITC and place information in church bulletins. Have schools send EITC information home with students. Encourage grocery stores to place EITC messages on bags or fast food restaurants to include messages on tray liners.

The Media

In a media driven society, it is important to implement a print, radio, and, if resources permit, a television strategy to reach potential EITC filers. Developing a media strategy to complement marketing and outreach activities can help boost an EITC campaign's success.

City leaders and campaign partners can solicit assistance from major newspapers, asking that they place educational ads about the EITC, print EITC editorial articles, or include EITC brochures as inserts in a daily circulation. It is also very important to consider inserts, articles, and ads in neighborhood and other smaller papers that are circulated to the target population.

Many cities also reach constituents through municipal newspapers or newsletters and local cable stations.

A mayor, councilmembers, and campaign partners may also consider recording public service announcements to air on popular radio stations. Local and statewide broadcaster associations can be excellent partners on this front. Also remember to consider ethnic stations, which usually have a large listenership among immigrants. Seeking out radio talk show appearances is another great way to connect with potential EITC filers.

► Eugene, Oregon

To strategically plan targeted outreach, the city formed a task force that included city councilmembers, representatives from the University of Oregon, Lane County Community College, the county health department, and local school districts. The task force met and created a public information plan outlining objectives and strategies to reach target audiences. The City of Eugene is now spreading the word about EITC by funding advertisements and public service advertisements on all of the county's radio stations. City Councilor Nancy Nathanson helped advertising efforts by meeting with local newspaper editorial board members to solicit support for the campaign. In addition, a local school teacher also led a student video project to create an EITC public services announcement.

If resources allow, campaigns may want to record television announcements highlighting the EITC. Mayors and city councilmembers often have an existing relationship with local television networks and may be able to have ads placed in key time slots that are donated by the station.

Local Champions

Highly visible champions can help get the word out to residents and attract media attention. Local elected officials can use their bully pulpit to publicize the tax credit and its value to local families and the community at large. In some cases, state or federal officials have partnered with local coalitions to bring added visibility. Business leaders, sports stars, or other local celebrities can also help put this issue in the media spotlight.

Hotlines

Making EITC information easily accessible is vital to a campaign. Campaigns can incorporate EITC information into existing city or organizational telephone hotlines, such as the growing number of 211 social services hotlines. If a campaign chooses to use an existing informational line, it is important to properly train staff on the EITC and the various tax services that will be offered in the community. Seasoned campaigns suggest providing early training for staff and easily referenced information sheets that staff can refer to throughout the tax season. Campaigns may also want to prepare scripts for operators in order to insure that accurate information is conveyed to residents. (Sample scripts are included at the end of this section).

If no compatible lines exist, EITC campaigns can establish new telephone hotlines to inform potential customers about the campaign and related services. Campaigns may also want to consider hosting an 800 number in order to jointly provide free tax preparation information with surrounding areas.

While there is an 800 number sponsored by the IRS to offer tax filing assistance, this is insufficient for local campaign purposes because it cannot provide the level of assistance many filers need, nor can it refer callers to local, in-person tax assistance sites.

If possible, incorporate the call-in number into print and television media stories to maximize exposure. However, be sure that the hotline will be operational before any materials advertising the number are distributed.

Beyond general information about the EITC, hotlines can help advertise free tax preparation sites. More information on this aspect of hotlines is included in the section on marketing free tax preparation sites in Part IV.

City Website

Some cities have helped spread the word by adding information on the EITC to the city's website. The level of intensity of an EITC web presence may vary, from an alert on the main page during tax time with links to more information on the EITC to a designated subsection of the city's website providing background on the credit, perhaps with a calculator to help families determine if they may be eligible. For examples, see pages hosted by Los Angeles, Calif., (<http://www.lacity.org/CDD/eitc/>) or Austin, Tex. (<http://www.ci.austin.tx.us/eitc/>).

Word of Mouth

One of the best ways to spread the word about the benefits of claiming the EITC is to enlist the help of past EITC beneficiaries as formal and informal spokespeople. Satisfied free tax preparation customers are generally considered the most effective marketing strategy for tax preparation services.

In addition to encouraging individuals to tell their friends and neighbors about the EITC and any tax preparation or other related services that

➤ Louisville, Kentucky

As a member of the Louisville Asset Building Coalition, Louisville-Jefferson County Metro Government supported a promotional blitz of EITC television spots, billboards, newsletters, and brochures taped to Kentucky Fried Chicken boxes as part of the marketing and outreach strategy for the city's EITC campaign. To market local VITA sites, 35,000 flyers were distributed in English and 5,000 in six other languages, including Russian, Serbo-Croatian, and Arabic. Three hundred signs were posted inside and outside buses and in bus shelters, advertising the EITC and free tax help. Housing authority case managers also went door-to-door to talk to residents about the EITC and free tax assistance sites.

are available, it is helpful to identify individuals who are willing to speak out more publicly on what the EITC has meant to them. This is particularly important in getting media coverage, but can also strengthen written brochures and informational open houses.

Utilizing Available Outreach Support

A city does not have to create materials from scratch but can adapt existing materials to reflect a city's uniqueness. Local EITC campaigns can take advantage of a variety of national outreach materials, as well as existing campaign materials from cities across the country.

For instance, the Center on Budget and Policy Priorities, located in Washington, DC, develops and distributes a variety of outreach materials, including the annual EITC Outreach Kit that includes adaptable outreach materials (*e.g.* flyers and posters) in multiple languages (<http://www.cbpp.org/eic2004/index.html>). The Annie E. Casey Foundation also has developed a website (www.eitc.info) that will connect campaigns to print and media marketing and outreach materials utilized by Casey-supported EITC campaigns across the country. Some of these materials are in multiple languages.

Some cities have also solicited in-kind support from local advertising and marketing agencies to aide in the adaptation – or development – of EITC campaign messages and materials. Additionally, city public relations staff may donate time to design and create unique campaign materials.

➤ Outreach & Public Awareness: Key Roles for City Officials

Serve as or help secure a champion for the initiative

Record EITC public service announcements

Host EITC press conferences

Appear on radio talk shows to discuss the EITC

Attend EITC events and open houses

Donate city public relations staff time to help customize campaign messages and materials

Solicit partnerships with newspapers and television networks

Offer the city's hotline as a source for EITC information

➤ City Best Advice

Designate a VIP champion

Relay campaign messages repeatedly through multiple vehicles

Develop & provide multi-lingual outreach materials

Create an informational hotline

Ensure that outreach messages include tax assistance site locations, hotline numbers, and what to bring

Consider timing and capacity issues if outreach is linked to free tax preparation services

THE EARNED INCOME TAX CREDIT

IT'S MONEY IN Your POCKET.

You or someone you know could be eligible for a tax refund!

Owe less tax and get cash back from the IRS through the **Earned Income Tax Credit (EITC)**. Even if you don't owe income tax, you can get the credit and cash!

- Does your family earn up to **\$30,666** with **one** child? You may get up to **\$2,547** back.
- Does your family earn up to **\$34,692** with **more than one** child? You may get up to **\$4,204** back.
- You're between **ages 25 and 64**, **without children**, and earning up to **\$12,230**? You may get up to **\$382** back.
- Average **EITC** refund last year for Chicagoans: **\$1,880**.

Get your taxes done for free!

Free tax preparation assistance from professionally trained volunteers may be available in your community. The Tax Counseling Project (TCP) and the Tax Assistance Program—It Adds Up (TAP) are Chicago-area non-profit programs offering free tax preparation assistance to families earning less than \$35,000. TCP and TAP provide trained volunteers at 28 sites in Chicago and 19 sites outside Chicago. To find a free tax preparation location in Chicago, call 311, the City's non-emergency information line. Outside Chicago, call 312-409-1555 or 312-409-6511.



Richard M. Daley
Mayor
City of Chicago

For more information about the EITC, the Child Tax Credit, or other assistance, please call 311 or visit the City of Chicago website at www.cityofchicago.org/OTAC/. In other areas of Illinois, call the IRS at 800-829-1040 or visit www.irs.gov.

THE EARNED INCOME TAX CREDIT

IT'S MONEY IN Your POCKET.

Tax Assistance Program – It Adds Up®

The Tax Assistance Program will be open from 8:30 am to 11:30 am on the following Saturdays: Jan. 31, Feb. 7, 14, 21, 28; March 13, 20, 27; and April 3, 10. (For more information, call 312-409-1555.)

What you need to bring to all locations:

- All 2003 W-2 and 1099 forms
- Social Security cards for all household members
- Copy of 2002 tax return.

These programs are partially funded by the Illinois Department of Human Services and the City of Chicago.

Tax Counseling Project Sites & Hours – Chicago Area

Tax Counseling Project sites will be open from Jan. 24 to April 15 on the days indicated for each site. (For more information, call 312-409-6511.)

NORTHWEST Association House 1116 N. Kedzie Mon. & Wed. 5:30 pm–8 pm Saturdays 10 am–1 pm Logan Square Armitage Baptist Church 2505 N. Kedzie Blvd. Saturdays 10 am–1 pm NORTH Truman College 1145 W. Wilson Mon.–Thurs. 5:30 pm–8 pm Saturdays 10 am–1 pm United Church of Rogers Park Ashland Ave. & Morse St. Saturdays 10 am–1 pm Wednesdays 5:30 pm–8 pm	LOOP Employment & Employer Services 200 W. Adams, Suite 1500 Mon.–Thurs. 10 am–1 pm 5:30 pm–8 pm Saturdays 10 am–1 pm SOUTH ShoreBank Chatham 7936 S. Cottage Grove Mon. Tues. & Thurs. 5:30 pm–8 pm ShoreBank Bronzeville 3401 S. King Drive Mon. Tues. & Thurs. 5:30 pm–8 pm Saturdays 10 am–1 pm Employment Resource Center 7909 S. Racine Mon. & Wed. 5:30 pm–8 pm Saturdays 10 am–1 pm	CHARTER ONE BANK: CHINATOWN Instituto del Progreso Latino 6279 S. Halsted Ave. Wed. & Thurs. 5:30 pm–8 pm Saturdays 10 am–1 pm WEST Macdon X College Westside Learning Center 4624 W. Madison Tues. & Thurs. 5:30 pm–8 pm Saturdays 10 am–1 pm Homan Square 3333 W. Armitage Wed. & Thurs. 5:30 pm–8 pm Saturdays 10 am–1 pm	SOUTHWEST Benito Juarez Community Academy 2150 S. Lullin (Cermak & Ashland) Chicago Vocational School 2100 E. 87th St. (87th & Joliet) Kennedy-King College 6800 S. Wentworth (68th & Wentworth) Olive-Harvey College 10001 S. Woodlawn Ave. (103rd & Cottage Grove) St. Anselm Catholic Church 6045 S. Michigan Ave. (60th & Michigan) WIC Food Center 4622 W. Diversy (Cicero & Diversy) NORTH McCormick Boys and Girls Club 4835 N. Sheridan Rd. (Lawrence & Sheridan) LOOP City Hall 121 N. LaSalle
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+ Sample Spanish-Language EITC Flyer (Source: City of Chicago, Illinois)

THE EARNED INCOME TAX CREDIT

ES DINERO EN SU BOLSILLO.

¡Usted o alguien que conozca puede ser elegible para un reembolso de impuestos!

Deba menos dinero en sus impuestos y obtenga un reembolso en efectivo del IRS, por medio del programa Crédito a Ganancias de Impuestos, conocido en Inglés como **Earned Income Tax Credit (EITC)**. ¡Aunque usted no deba dinero de impuestos, usted puede recibir el crédito y obtener dinero en efectivo!

- ¿Gana su familia **\$30,666** al año y tiene **un** hijo? Puede obtener hasta **\$2,547** de reembolso.
- ¿Gana su familia **\$34,692** al año y tiene **más de un** hijo? Puede obtener hasta **\$4,204** de reembolso.
- **¿No tiene hijos** pero esta entre las **edades de 25 y 64** años y gana menos de **\$12,230** al año? Usted puede obtener hasta **\$382** de reembolso.
- El año anterior, el reembolso del programa **EITC** fue de **\$1,880** promedio.

¡Preparación de impuestos gratis!

Asistencia gratuita por parte de voluntarios entrenados profesionalmente, estarán disponible en su comunidad. El Proyecto de Consejería de Impuestos (TCP) por sus siglas en inglés) y el Programa para Asistencia de Impuestos- It Adds Up (TAP por siglas en inglés) son compañías no lucrativas en la área de Chicago que ofrecen asistencia gratis para familias que ganan menos de \$35,000. TCP y TAP proporcionan voluntarios entrenados en 28 locales en Chicago y 19 locales fuera de Chicago. **Para obtener información sobre un local que ofrezca preparación de impuestos gratis en Chicago, llame al \$11 la línea de no-emergencia e información.** Y para otras áreas fuera de Chicago, llame al 312-409-1555 o 312-409-6511.

Para más información sobre EITC, Crédito de Impuestos para Niños o asistencia sobre los impuestos llame al 311 o visite la página electrónica de la Ciudad de Chicago al www.cityofchicago.org/CTAC/. En otras áreas de Illinois llame al IRS al 800-829-1040 o visite www.irs.gov.

Richard M. Daley
Alcalde
Ciudad de Chicago

Locales y Horario del Proyecto de Consejería - En la area de Chicago

Los locales del Proyecto de consejería estarán abiertos de el 25 de enero hasta el 15 de abril. Cada local tendrá su horario (para más información, llame al 312-409-6511.)

NOROESTE
Association House
 1116 N. Kedzie
 Lunes y Miércoles
 5:30 pm-8 pm
 Sabados 10 am-1 pm

Logan Square
Armitage Baptist Church
 2505 N. Kedzie Blvd.
 Sabados 10 am-1 pm

NORTE
Truman College
 1145 W. Wilson
 Lunes-Jueves 5:30 pm-8 pm
 Sabados 10 am-1 pm

United Church of Rogers Park
 Ashland Ave. & Morse St.
 Martes y Jueves 5:30 pm-8 pm
 Sabados 10 am-1 pm

EL CENTRO
Employment & Employer Services
 200 W. Adams, Suite 1500
 Martes y Jueves 10 am-1 pm
 5:30 pm-8 pm
 Sabados 10 am-1 pm

SUR
ShoreBank Chatham
 7830 S. Cottage Grove
 Lunes y Jueves
 5:30 pm-8 pm
 Sabados 10 am-1 pm

ShoreBank Bronzeville
 3401 S. King Drive
 Lunes, Martes y Jueves
 5:30 pm-8 pm
 Sabados 10 am-1 pm

ShoreBank Loop
 7909 S. Racine
 Martes y Jueves 5:30 pm-8 pm
 Sabados 10 am-1 pm

Charter One Bank: Chinatown
SUROESTE
Instituto del Progreso Latino
 2570 S. Blue Island Ave.
 Miércoles y Jueves 5:30 pm-8 pm
 Sabados 10 am-1 pm

OESTE
Malcolm X College
Westside Learning Center
 4624 W. Madison
 Martes y Jueves
 5:30 pm-8 pm
 Sabados 10 am-1 pm

Homan Square
 3333 W. Arthington
 Lunes, Martes y Jueves
 5:30 pm-8 pm
 Sabados 10 am-1 pm

Immaculate Heart of Mary Hall
 4521 S. Ashland
 Lunes, Miércoles y Jueves
 5:30 pm-8 pm
 Sabados 10 am-1 pm

Lo qué usted necesita traer a todos los lugares:

- Todas las 2003 W-2 y 1099 formas
- Las tarjetas de Seguro Social de todas las personas familiares que viven en casa
- La copia 2002 de la declaración de impuestos

Estos programas son respaldados parcialmente por el Departamento de Illinois de los Servicios Humanos y la Ciudad de Chicago

Locales y Horario del Programa para Asistencia de Impuestos-en el area de Chicago

El Programa para Asistencia de Impuestos abrirá de las 8:30 am - 11:30 am los siguientes Sabados: Enero 31; Febrero 7, 14, 21, 22; Marzo 13, 20, 27, 29; y Abril 3, 10. (Para más información, llame al 312-409-1555.)

NOROESTE
Roberto Clemente Community Academy
 1147 N. Western (Division & Western)
 Lunes en Feb.
 5:30 pm-8:30 pm

WIC Food Center
 4622 W. Dansey (Cicero & Dansey)
 Lunes en Feb.
 5:30pm-8:30pm

Aherito Solamente los
 Kennedy King College (Ashland & Chicago)
 Lunes en Feb.
 5:30pm-8:30pm

WIC Food Center
 4622 W. Dansey (Cicero & Dansey)
 Lunes en Feb.
 5:30pm-8:30pm

NORTE
McCormick Boys and Girls Club
 6433 N. Sheridan Rd. (Lakeside & Sheridan)
 Martes y Jueves 10 am-1 pm

CENTRO
City Hall
 121 N. LaSalle

SUR
Holy Angels Church, Basement
 545 E. Oakwood Ave. (Oakwood & 40th)
 Lunes en Feb.
 5:30 pm-8:30 pm

Chicago Vocational School
 2100 E. 87th St. (87th & Jeffery)
 Lunes en Feb.
 5:30pm-8:30pm

Kennedy King College
 6800 S. Cottage Grove (88th & Wentworth)
 Lunes en Feb.
 5:30pm-8:30pm

WIC Food Center
 10001 S. Woodlawn Ave. (103rd & Cottage Grove)
 Lunes en Feb.
 5:30pm-8:30pm

WIC Food Center
 2400 S. Kedzie (24th & Kedzie)
 Lunes en Feb.
 5:30pm-8:30pm

OESTE
West Side Technical Institute
 48th & Western (28th & Western)
 Lunes en Feb.
 5:30pm-8:30pm

San Miguel School
 4247 W. 31st St. (31st & Pulaski)
 Lunes en Feb.
 5:30pm-8:30pm

Platowski Park
 4247 W. 31st St. (31st & Pulaski)
 Lunes en Feb.
 5:30pm-8:30pm

Boito Juarez Community Academy
 2150 S. LaSalle (Cermak & Ashland)
 Lunes en Feb.
 5:30pm-8:30pm



City of Riverside | NEWS RELEASE

People Serving People

FOR IMMEDIATE RELEASE: February 13, 2004

Riverside Kicks Off FFAB (Family Financial Asset Building Program); Assists Residents in Applying for Tax Refunds up to \$4,204 for Qualifying Families

RIVERSIDE, CA.— *The City of Riverside has launched FFAB—Family Financial Asset Building—a free tax preparation program to assist low- and moderate-income working families get money back through the Earned Income Tax Credit (EITC) and, at the same time, give a boost to our local economy. A kick-off event will be held on Saturday, February 21, 2004, at 11:00 a.m. at the Casa Blanca Family Learning Center, 2985 Madison Street, Riverside.*

Approximately \$11.9 million dollars goes unclaimed in the City of Riverside each year in Earned Income Tax Credits (EITC). The City of Riverside's Family Financial Asset Building (FFAB) program aims to inform residents about the EITC, which provides eligible families with a tax refund of up to \$4,204 annually, as well as provide free tax preparation, tax credit education, and general financial services information.

FFAB's centerpiece is the Earned Income Tax Credit (EITC), one of the Federal Government's largest and most effective anti-poverty programs. It is a federal tax credit for working families who have earned income under \$34,692. The EITC helps to reduce the federal tax burden on low-income workers, lift families out of poverty, supplement wages, and build long-term assets.

Through a coalition of city government, community volunteers, the business community, non-profit organizations, and educational institutions, residents with annual incomes less than \$35,000 can take advantage of free tax preparation at five Volunteer Income Tax Assistance (VITA) sites throughout the City of Riverside. In addition, free checking and savings accounts, free financial education workshops, and asset building material on Individual Development Accounts and city sponsored support programs will be offered to qualifying residents.

Information will be offered in both English and Spanish and bilingual volunteers will be available at several sites.

Partners in the EITC Campaign include the Internal Revenue Service, Riverside Community College, the Riverside County Department of Public Social Services, Alvorad Unified School District, the Riverside County Credit Union, the Riverside County Department of Community Action, the Federal Deposit Insurance Corporation and other local organizations.

Free tax preparation will be available to help low-income families through April 10, 2004, at a VITA site near you:

Arlanza Elementary School, 5891 Rutland Street, Wednesdays, 4:00 p.m. – 8:00 p.m.
Casa Blanca Family Learning Center, 2985 Madison Street, Saturdays, 10:00 a.m. – 4:00 p.m.
Eastside Cybrary, 4016 Chicago Avenue, Saturdays, 11:00 a.m.-5:00 p.m.
La Sierra High School, 4145 La Sierra Avenue, Mondays, 2:00 – 4:30 p.m.
Norte Vista High School, 6585 Crest Avenue, Thursdays, 4:00 p.m. – 8:00 p.m.

For more information on the Riverside Family Financial Asset Building Program, please call the PE.Com Newslink Phoneline at (909) 222-7000 #7500 or visit www.ffab.riversidelink.com.

PSA Scripts for Mayor Murphy about Tax Benefits for Working People
January 2004

ABOUT 15 SECONDS

Hi, I'm Mayor Tom Murphy. If you worked last year and earned a low income, the IRS and the state could owe you money. Call one-eight-hundred, eight-two-nine, ten-forty and ask about the Earned Income Credit, a tax benefit for people who work.

ABOUT 30-40 SECONDS

Give your paycheck a boost!

Hi, I'm Mayor Tom Murphy. If you worked last year, even part-time, and earned a low income, the IRS could owe you money – up to four thousand two hundred dollars, if you're raising children. It's called the Earned Income Credit, a tax benefit for people who work.

To get the credit you MUST file a federal tax return and attach Schedule EIC.

Pennsylvania may also owe you money. To get state Tax Back money, file a state tax return and add Schedule SP.

To find out more, call the IRS toll free at one-eight-hundred, eight-two-nine, ten-forty.

ABOUT 60 SECONDS

Hello, I'm Mayor Tom Murphy.

If you worked last year, even part time, and earned under thirty-five-thousand dollars, the IRS could owe you money – up to four thousand, two hundred dollars if you're raising children. If you're not raising children, you might also be eligible for a credit.

Getting the credit is easy. You just file a federal tax return and include Schedule EIC.

If you qualify, you'll either owe less in taxes, or get a check back from the IRS. You can even get the credit if you owe no income tax.

Pennsylvania may also owe you tax money. With "Pennsylvania Tax Back" you could get back the state taxes you paid during the year. Include Schedule SP when you file.

Give your paychecks a boost with the help of the Earned Income Credit and Pennsylvania Tax Back. Check it out. Filing your taxes may be worth thousands of dollars this year. Ask your tax preparer if you are eligible for the Earned Income Credit or Pennsylvania Tax Back. Call 1-800-829-1040 for more information.

CAMPAIGN FOR WORKING FAMILIES | 7th draft TELEPHONE SCRIPT

IVR - Interactive Voice Response line, to operate 24 hours/day | Dec. 12, 2003

CWFEngGreeting You have reached the Campaign for Working Families tax information line. We offer free tax preparation and other services for residents of Philadelphia who are eligible for the Earned Income Tax Credit. If you're eligible, you could get hundreds – or thousands – of dollars in your tax refund. If you live outside of Philadelphia, call 1-800-829-1040.

CWFEngP1 If you would like this message in English, press 1

CWFEngP2 Para hablar en espanhol, marcar el numero 2

EngMM1 To find out if you are eligible for free tax preparation and the Earned Income Tax Credit, press 1.

EngMM2 For locations of free tax filing sites, press 2.

EngMM3 If you are a Philadelphia resident and want to learn about free or low-cost benefits such as Food Stamps, health insurance or child care, press 3.

EngMM4 If you want information about free services to help you better manage your money, get out of debt or obtain assistance with home mortgage related issues, press 4.

EngMM5 To repeat this menu, press the pound (#) key.

EngMM1a The Earned Income Tax Credit is a program for working families. A qualified family with 2 or more children can receive up to \$4,200. An individual worker could be eligible for a tax credit of up to \$380.

You may be eligible for Earned Income Tax Credit and free income tax preparation: if:

~ you have children and earned less than \$34,692 in 2003.

~ you do not have children and earned less than \$12,230 in 2003.

Eligibility varies according to family size and marital status. Some people might not be eligible. A volunteer tax preparer at our tax site can help you determine if you qualify for the EITC.

EngMM1a1 If you would like to hear this information again, press the pound (#) key

EngMM1a2 If you would like to return to the main menu, press 9.

EngMM2a The Campaign for Working Families sponsors free tax preparation sites. Our

services are available to families who earn annual incomes of less than \$35,000.

Beginning January 17, IRS-certified volunteers will prepare your taxes at no cost so you can receive all of your refund. You can also find out about other benefits for which you may be qualified, such as Food Stamps.

At the end of this message, please enter the five-number Philadelphia zip code where you would like to file your taxes.

Have a pencil and paper ready, so that you can write down the address and the instructions of what to bring with you to the tax preparation site. You can select the option to hear the message again if you need to. You can also visit our Web site at www.gpuac.org to get this information. Please enter your five digit zip code now.

EngMM2a1 You entered Zip code:

EngMM2a2 If this is correct, press 1 to continue. Press 2 to reenter the zip code.

EngMM2a3 The Site or Sites nearest you:

EngMM2a4 To have your taxes prepared for free, you need to bring a number of things with you. It's a long list – 9 items - so hang on while I go over it. You can hear this message again b y pressing #(pound).

EngMM2a5 Item 1- Bring W-2s and other wage statements you and your spouse received from all your employers for Tax Year 2003.

Item 2- Bring Social Security cards for yourself and everyone on the household that you support, including your spouse, and children, grandchildren, relatives and foster children.

Item 3 – Bring the dates of birth for all people you are claiming as dependents.

Item 4- Bring your driver's license or other state issued photo ID card

tem 5- Bring last year's tax return, if you have one, as well as any additional items (such as mortgage statements) that you think may impact your tax return, even if you are not sure.

Item 6- If you received any 1099 forms for 2003, bring them. You may have 1099 forms if you received income from Social Security, Railroad Retirement, Unemployment, Interest, or Dividend Income

Item 7- If you paid for day care in the past year, bring your co-pay statement for Day Care

for the year 2003, including the social security number or EIN of your day care provider, the Providers name, and the day care address.

Item 8- If you paid for higher education, such as college or a trade school, bring form 1098 T showing evidence of payment.

Item 9 -If you would like to get your refund by direct deposit, bring a blank check from your bank account.

EngMM2a6 If you would like to hear the tax site locations and instructions for what to bring again, press the pound (#) key

EngMM2a7 If you would like to return to the main menu, press 9.

EngMM3a Please hang on while I give you information about 3 ways to get help. Have a pencil and paper ready.

1-For help with health insurance or child care, call Philadelphia Citizens for Children and Youth at 215-563-5848, or PathWaysPA at 215-222-0805.

2 -For help with food, call the Greater Philadelphia Coalition Against Hunger at 215-430-0556 or PathWaysPA at 215-222-0805.

3 -For help with heating costs, weatherization or other energy related programs, call the Neighborhood Energy Center nearest you.

EngMM3a1 If you would like to hear this message again, press the pound (#) key

EngMM3a2 If you would like to return to the main menu, press 9.

EngMM4a Please hang on while I give you information about 2 places to call. Have a pencil and paper ready.

1-For information about workshops in the Philadelphia Region to help you manage your money, call the Greater Philadelphia Urban Affairs Coalition at 215-851-1764.

2- If you need help getting out of debt, improving your credit or assistance with housing issues, call Consumer Credit Counseling of Delaware Valley at 215-563-5665.

EngMM4a1 If you would like to hear this message again, press the pound (#) key

EngMM4a2 If you would like to return to the main menu, press 9.

HelpLink EITC/CTC Information Line Script

Thank you for calling HelpLink's Earned Income and Child Tax Credit hotline.

If you believe you qualify for a tax refund under the Earned Income Tax Credit program but need help filing your 2003 income tax return, you can obtain free help at one of the IRS-approved centers in Dayton and the surrounding area. Since hours of operation vary by site, please call one of the following numbers for more information or to schedule an appointment.

In Dayton call:

- ◆ Community Action Partnership at 341-5000
- ◆ Dayton Urban League at 220-6650
- ◆ East End Community Services Corp. at 259-1898
- ◆ Ellison Senior Center at 333-6606
- ◆ The Job Center at 333-2700
- ◆ VOA Community Center at 253-7042, or
- ◆ Wesley Center at 263-3556.

To obtain information about other free tax preparation sites in the surrounding area, call the IRS at 1-800-829-1040.

To hear these options again, press 7.

If you are not sure whether you qualify for the Earned Income Tax Credit or the Child Tax Credit, push zero and wait for an available operator.

HelpLink is a service of United Way of the Greater Dayton Area.

Earned Income Tax Credit (EITC) & Child Tax Credit Eligibility Information for HelpLink Operators

EITC Earning Limits

- Workers who were raising one child in their home and who earned less than \$29,666 (or less than \$30,666 for married workers) in 2003 can receive an EITC up to \$2,547.
- Workers who were raising two or more children in their homes and who earned less than \$33,692 (or less than \$34,692 for married workers) in 2003 can receive an EITC up to \$4,204.
- Workers who were not raising children in their homes, were between the age of 25 and 64, and earned less than \$11,230 (or less than \$12,230 for married workers) in 2003 can receive up to \$382.

(Consult Table for Hourly & Weekly earnings breakdowns.)

EITC Qualifying Child Definition

- Daughter, son, stepchild, grandchild, adopted child, sibling, or descendants of such relatives if cared for as your child. Foster children can be claimed only if they were placed with you by an authorized foster placement agency, and they were living with you for more than half of 2003.
- Child must be under age 19 at the end of 2003, or under age 24 if a full-time student, or any age if totally or permanently disabled.
- A qualifying child does not have to be your dependent but must have lived with you in the United States for more than 6 months in 2003.

Child Tax Credit Eligibility

A single or married worker must:

- Be able to claim an exemption for a dependent child under the age of 17 on his or her tax return;
- Have taxable earned income above \$10,500 in 2003; and
- Have either a Social Security # or an Individual Taxpayer ID #.

CTC Qualifying Child Definition

- Same categories of children as listed above for EITC.
- Under age 17 at end of 2003.
- A citizen or resident of the United States.
- Claimed as the taxpayer's dependent.
- Must have lived with the taxpayer in the U.S. for more than 6 months in 2003.



PART IV:

Free or Low-Cost Tax Preparation

Offering free tax preparation services to EITC-eligible residents not only helps ensure that working families actually claim the credit, but also helps them get the full value of the EITC.

Many EITC filers do not feel comfortable completing their own tax returns and turn to the commercial tax service industry for assistance. In fact, more than 68 percent of taxpayers who claim the EITC pay a commercial tax preparation

agency to do their returns. While there is a strong need for commercial tax preparers, most charge low-income filers high fees to do uncomplicated returns and many push high interest refund anticipation loans (RALs) to taxpayers in order to provide the filer with a faster return. These fees and RALs can take a significant percentage out of a low-income working family's refund.

This section discusses the models for offering free and low-cost tax assistance and the logistical considerations related to site locations, operations, staffing, and marketing.

Choosing a Tax Assistance Model

Volunteer-based tax clinics remain the most widely used method of meeting the tax preparation needs of low-income filers and will be the focus of this section. However, there are some alternative or complementary strategies to providing affordable tax services, including: working with employers to offer tax assistance; collaborating with high quality commercial tax preparers who are willing to offer special deals for low-income filers; or relying more heavily on technology that helps EITC filers complete their own taxes. The method of tax preparation chosen can depend on the cost and the proposed scale of the EITC campaign.

In determining a tax preparation model, it is also important for campaign partners to consider who will be eligible for services. Will anyone who needs assistance be served? Will the site only serve EITC-eligible filers or those filing less complicated tax forms? If there are income or other limitations on who can be served, it may be helpful to maintain a referral list of affordable and trusted preparers who can serve customers that free tax sites cannot serve.

Volunteer Tax Preparation

The most common model for free tax preparation is to establish community-based sites that are staffed by trained volunteers. These volunteers help low- to moderate-income individuals or families fill out and submit their tax forms.

The IRS has been supportive of this model through the Volunteer Income Tax Assistance (VITA) program. The IRS can help a local coalition evaluate existing VITA activities (if any), and may be able to support a coalition in establishing new sites. The IRS can provide free tax software and volunteer training to VITA sites. Due to the limitations on the IRS's capacity, however, some coalitions have chosen to establish or expand free tax preparation sites independently and to use other free online software other than that provided by the IRS.¹⁹

Employer-Based Tax Sites

Some cities are working with major employers to offer tax preparation services to EITC eligible employees at the worksite. Offering tax services on the job site can be great way to reach a large number of EITC eligible filers while addressing barriers related to transportation and work schedules. Moreover, many major companies have existing resources, such as computer labs, that are critical to tax preparation services. From an employer perspective, this can be seen as an additional benefit that they offer their employees.

For example, the City of San Antonio, Tex. has partnered with a local hotel, the Plaza San Antonio, to offer free tax services to employees. The hotel viewed the partnership as a critical way to retain and support their employees. The hotel employs a large number of Hispanic workers in lower-wage positions. First, to inform eligible filers, the Plaza included bi-lingual EITC informational brochures in employees' paychecks. Second, recognizing that many of their employees have transportation issues and are limited English speakers, the EITC liaison for the Plaza helped organize and coordinate an on-site free tax preparation service for hotel employees. Working with the coalition, employees were able to have their taxes completed by well-trained, volunteer tax preparers.

¹⁹ Go to www.irs.gov (key word: free file) to see the available options.

Partnerships with Private Accountants and the Commercial Tax Industry

Coalitions that cannot invest time and resources into strengthening or initiating free tax preparation sites may want to consider negotiating free or low-cost tax services with private accountants and local commercial tax preparers.

A rural coalition in southwest Iowa operated exclusively through local accountants and other tax preparers to offer free tax services to eligible community members. Each location offered services differently. For example, one site agreed to set aside specific time to service the program's clients while another site agreed to serve a certain number of clients on the program's behalf. The program employed a toll-free number for clients to sign up for specific sites. The group found that private agencies were very willing to assist the coalition.

Baltimore has also tried negotiating agreements with private tax services to provide discount coupons for more complicated returns that the free tax site was unable to prepare.

Self-Preparation Using Technology

To reach more low- and moderate-income filers and help them learn to complete their tax returns themselves, some communities are using technology to promote self-preparation.

One such effort, I-CAN! EIC™, was designed by the Legal Aid Society of Orange County, California, specifically to help the working poor claim the EITC and keep it. I-CAN! EIC™ is a web-based application that helps low-wage earners claim the Federal EITC and complete their federal tax forms. It is written at a fifth grade literacy level, in English and Spanish, and a video guide reads questions to users. It is available to anyone eligible for the EITC

with access to the Internet, and the tool is certified by the IRS as an online tax provider. The program is free and electronically files returns. I-CAN! also currently prepares the state returns for five states (CA, MA, MD, MT, and OK), and no state returns are needed in an additional seven states (AK, FL, NV, SD, TX, WA, and WY). (See Appendix A for more information on I-CAN!).

Another option is the Intuit Tax Freedom ProjectSM, which provides TurboTax® for the WebSM 1040EZ and basic services to individuals and families who qualify (including all EITC recipients).

Staffing a Free Tax Preparation Site

All tax sites need a variety of dedicated individuals to provide tax assistance in an efficient and effective way. The most common positions include: a site coordinator, tax preparers, greeters, and clerical assistants. Other staffing roles may include: quality control managers, data collectors/analysts, and translators. Some of these positions may be filled by paid staff, but most or all of the staff are typically volunteers. This means that significant effort must be put into recruiting and training individuals to ensure adequate coverage and quality services.

Individual campaigns must consider the costs and benefits of hiring staff or relying on volunteers. Hired staff, while costly, can help ensure that sites will be operated in professional manner. Using dedicated volunteers is a lot less costly and can also ensure that sites run properly, but may require more hand holding, reminder calls, and extra recruitment due to attrition. Another option is to use dedicated staff from community-based organizations who are assigned to support and coordinate tax sites.

One concern that some cities or community-based programs have about starting free tax preparation programs is liability for tax errors when utilizing volunteers. Volunteer-based programs actually have the umbrella liability protection offered by the Volunteer Protection Act (VPA) and other Good Samaritan laws that are generic to all volunteer programs and tend to protect both the volunteers and the paid managers of those volunteers. Nevertheless, since willful misconduct or gross negligence by a volunteer might still expose an organization to legal action, many organizations have chosen to add this activity to their liability coverage.

Roles for Staff/Volunteers

While staffing patterns vary from place to place, common positions include:

- ◆ **Site Coordinator:** It is important for each tax site to have a coordinator. This person is in charge of making sure the site is properly staffed to operate smoothly and provide quality service. The coordinator trouble shoots technical difficulties, sends prepared returns to the IRS, and handles declined returns. Site coordinators are key in helping support new tax preparers and prepare tax returns in more complicated situations. For sites with resources to pay some staff, this is a position that is likely to be paid.
- ◆ **Quality Control Managers:** Some tax preparation programs have instituted policies of having a more seasoned tax preparer available to do quality assurance reviews and handle more complicated tax returns. In some cases, this person (or these people) will review all tax returns before they are submitted; in other cases, they do random checks to detect common problems and provide feedback to volunteer tax preparers. It is important for people in this position to have a clear understanding of tax laws, either through years of volunteering or through prior training as an accountant. In some cases, the site coordinator may play this role, but given the logistical demands on the site coordinator, it is often helpful to separate out this function and to pay for these services when possible.
- ◆ **Tax Preparers:** Volunteers who help individuals prepare their taxes are the heart of a free tax assistance site. They will review the filer's documents and walk through a paper or online tax form to accurately complete the tax return. These individuals need adequate training, support, and recognition to ensure their ongoing participation, not only throughout one tax season but also in subsequent years. Within this category of volunteers, some seasoned tax preparers may become on-site mentors to newer volunteers.
- ◆ **Greeters:** The greeter does not complete taxes, but serves an important role by welcoming filers, answering questions, assisting with forms, and ensuring that filers have all needed documents. In addition, greeters serve a very important function of helping separate out filers that the site cannot serve so that neither the filer's nor the preparer's time is wasted.
- ◆ **Clerical Staff/Schedulers:** From preparing copies of returns for filers to assisting with scheduling appointments or contacting families whose returns have been denied, clerical staff/volunteers can help a site run more efficiently.
- ◆ **Data Collector/Analyst:** While this role may be carried out by a greeter, clerical staff, or tax preparer, some sites designate a separate individual to gather key information on people utilizing the tax assistance site. In addition, someone needs to be designated to input and analyze data that has been collected.

- ◆ **Translators:** In communities where languages other than English predominate, sites with translators should be sure to advertise this capacity. Volunteers trained as tax preparers may not understand the language used in the community, so sites may need to recruit additional support.

Recruiting Volunteers

Assuming that most free or low-cost tax preparation programs rely on volunteers at least to some extent, it is important that campaigns begin to recruit volunteers in late summer or fall to ensure adequate time for training. Due to attrition of volunteers and the fact that denied returns take additional follow up time, most existing programs recommend that campaigns recruit at least double the volunteers needed to successfully host sites.

Key recruitment opportunities include:

- ◆ **AARP TaxAide:** AARP is a leader in offering free, quality tax preparation services to people of all ages with moderate and low income, with special attention to those ages 60 and older, through Tax Counseling for the Elderly (or TCE) sites. AARP has some 30,000 dedicated volunteers who are IRS trained and certified. While not all AARP TaxAide sites have hours conducive to low-income working families schedules or are in locations targeted by EITC campaigns, some TaxAide programs may be willing to spare several of their seasoned volunteers to assist campaigns with training new volunteers or helping to open free tax preparation sites.
- ◆ **Military:** Free tax preparation can be a good community service opportunity for members of the military as part of their duty (or in some cases, based on infractions). In addition, there are often many spouses located on bases that have time to volunteer.
- ◆ **Businesses:** Businesses can often encourage employees to volunteer, and in some cases, can also provide funding or equipment for tax assistance efforts.
- ◆ **High Schools and Colleges/Universities:** Some schools will put volunteer time on student transcripts or give students course credit for volunteering. Computer technology students and professional school students studying accounting, business, or law can get practical experience by going through the IRS training and doing free tax preparation for clients.
- ◆ **Unions:** Unions may be willing to ask members to sign up for volunteer shifts, particularly if the workers they represent are likely to qualify for the EITC.
- ◆ **Retirees:** Organizations of retired professionals – particularly former accountants and others who are familiar with tax preparation – can be helpful in recruiting volunteers.
- ◆ **Volunteer/Service Organizations:** Logical partners might include: volunteer associations/centers; local nonprofits; or service clubs, such as the Junior League, Kiwanis, or Rotary Clubs.
- ◆ **Churches and Other Faith-Based Entities:** Faith-based institutions can help recruit volunteers from their congregations, may be able to host a site, and can get the word out to families who are potentially eligible for the EITC.
- ◆ **Public Social Services:** Staff from welfare or other social service agencies may already be familiar with the EITC and could be given time off or other recognition to serve as VITA volunteers.

► Tempe/Guadalupe, Arizona

In its second year offering free tax preparation, the Tempe/Guadalupe Earned Income Tax Credit Initiative helped local residents secure an additional \$531,797 in EITC credits over the base year of 2001 (before the Initiative began). In addition to helping with public awareness and managing VITA sites, the City of Tempe – through its various departments and the Tempe Community Council – recruited, screened, managed, and recognized program volunteers. The Initiative attributes its success to many factors including a strong partnership with the School of Business at Arizona State University to recruit accounting students as volunteer tax preparers and the development of a tax law training program uniquely suited to their needs.

- ◆ **Ethnic Civic Associations or Advocacy Groups:** Such organizations are often crucial to identify volunteers that can provide non-English translation services at VITA sites.

In recruiting volunteers, it is important to anticipate their potential concerns and find ways to address them ahead of time. For instance, for people who are not experts in accounting or tax law, emphasize that there is adequate training and that certified volunteers with IRS VITA sites cannot be sued if they make an honest mistake in preparing someone's taxes. For some, time may be an issue, so programs should balance the need for training and volunteer hours against the burden that this can place on the volunteer. Other volunteers may have concerns about transportation or public safety in getting to and from sites. Validating parking or providing shuttle service from public transit stops or other central locations may help.

Providing Quality Training for Volunteers

Volunteer training is a critical component of preparing to provide assistance during tax season. Ideally, volunteers should be trained in the late fall to avoid conflicts around the holidays while still allowing them to be ready for tax season in January. Nevertheless, communities have been able to make it work with trainings any time before mid-January.

Campaigns can work closely with the IRS to provide training for volunteers. Different types of classes are offered by the IRS to train tax preparers who volunteer at VITA sites. These training classes vary from a short, eight-hour "condensed VITA" class, often referred to as C-VITA, to a more intensive 40-hour class. Those who are trained in the eight-hour class are expected to have some background in accounting, tax law, or tax filing, while those with less experience with these issues are expected to take the longer training course. (See Appendix B for a list of IRS territory managers).

While it is recommended that sites partner with the IRS on VITA training, it is possible to provide independent training if a campaign is not going to be able to get what they need from the IRS. Communities who choose to go this route may want to connect with the National Community Tax Coalition (see Appendix A) for further options and support.

However the training is designed, it is important that volunteers have adequate opportunity to complete and ask questions about practice tax returns. Many training programs require certification at the end of the training that a volunteer has the basic knowledge and skills necessary to provide tax assistance. Campaigns across the country also report that emphasizing customer satisfaction and respect for tax filers

during training are hallmarks of a successful free tax assistance site.

In addition to training tax preparers, it is important not to overlook training for greeters and clerical volunteers that will assist with site operations but will not actually complete tax returns. Most sites utilize intake forms that help assess a filer's situation prior to their formal tax preparation session (see samples at the end of this section).

Beyond formal training, a great way to ease the anticipation of "opening day" is to host practice sessions for staff and volunteers at the tax site before filing season. Campaigns find that this helps boost preparer confidence and increases the chances of a successful start to tax season. Hosting a walk through of opening day provides an opportunity for all staff and volunteers to become familiar with the site's layout and offers a chance for volunteer tax preparers to practice completing returns on site. A walk through also offers the site coordinator a chance to identify and correct any problems prior to opening day.

Making Decisions Regarding Electronic Filing

Most tax sites today choose to offer electronic filing (e-filing) to EITC eligible filers. This greatly increases the speed of a filer's return and helps reduce return errors. Free tax sites have to compete with commercial preparers that often promise quick refunds and offer refund anticipation loans. Filing returns electronically can help attract filers to free tax assistance sites.

In addition, the IRS has a Congressionally-mandated goal of having 80 percent of tax returns filed electronically by 2007. In line with that mandate, local IRS offices generally require that VITA sites (particularly new ones) offer e-filing.

To file returns electronically, sites need an Electronic Filing Identification Number (EFIN). The application process for EFIN numbers is controlled by local IRS Territory Offices. The form required to be submitted is part of IRS Publication 3112, the IRS e-file Application Package, or a copy can be obtained from local IRS staff (see Appendix B).

► Riverside, California

The City of Riverside, California, operates the Riverside Family Financial Asset Building Program (FFAB), a community-based collaborative promoting a variety of services including free tax preparation. The city has a partnership with Riverside Community College (RCC) through which students interested in obtaining their California Tax Education Council certification can fulfill their 40-hour volunteer requirement at a VITA site. This unique partnership has enabled the FFAB Program to retain a core group of highly trained and dedicated volunteers. In turn, each volunteer gains experience in setting up and running a tax practice, as they are involved in every aspect of the FFAB Program from marketing to scheduling to site management.

Sites that file electronic returns need to ensure that the electrical system and available computers can handle the tax preparation software.

Electronic filing also means that campaigns must choose a tax software. Free software is offered by the IRS to those organizations that are deemed to be "official" Volunteer Income Tax Assistance (VITA) preparers.²⁰ While it has some drawbacks, most EITC campaigns are pleased with the program. Other campaigns are supporters of TurboTax and believe that the benefits of using this interview-style software outweigh the costs of having to purchase it. New and existing EITC campaigns may want to contact campaigns with experience in affordable tax preparation services to ascertain what software is the most appropriate for their situation.

An advantage of e-filing is that many common filing errors are immediately caught by the IRS computer system and the site is notified, usually within 24 hours, so that the mistake may be corrected. However, this means that the site must plan how it will re-contact tax filers in order to make the corrections. Also, in some instances, the return must be resubmitted as a paper return.

Despite the benefits of e-filing, some tax sites may still choose to complete returns on paper. This process is much slower for both the preparer and the filer, but is an alternative if campaign resources are scarce and it is not possible to get computers and/or software donated to the effort.

Organizing Tax Preparation Sites

Just as it is important to get the right people engaged and trained prior to initiating a free tax preparation campaign, it is also important to get the right site (or sites) and plan appropriately for set-up and operations.

Site Selection

EITC campaigns can often get space donated for free tax preparation sites. Cities may want to consider using city hall, local libraries, or other municipal space. In addition, municipal leaders can request space at schools or colleges, community centers, houses of worship, unions, nonprofits, businesses, or other community locations. The primary factors to consider when selecting free tax assistance sites include: convenience for targeted tax filers; public safety; overall size; layout of the space; and capacity to handle computer systems for e-filing.

Tax sites should be conveniently located and welcoming for filers. Consider hosting sites close to where the target population lives and works. Also, think about transportation issues that filers and site staff/volunteers might face when trying to travel to a site. Are sites located near public transportation stops? Where would people park if they drove to the site? Many cities also provide free parking or validate parking in garages for filers, staff, and volunteers.

It is also important to consider security for sites. Campaigns want to ensure that site staff, volunteers, and filers are safe and feel comfortable.

Regarding layout, campaigns should select sites that have adequate space for waiting, computer stations with some level of privacy for return preparation, and an area for the site coordinator, clerical support, and shared equipment (*e.g.*, photocopier or laser printer).

While free space may be available in a convenient location, some buildings may not be able to handle the electrical demands of an e-filing set-up. For instance, some campaigns have had significant problems with computer crashes when trying to work out of a church basement or small community-based nonprofit where systems have not been upgraded to meet the demands of modern technology.

²⁰ This determination is based on consultation between the coalition or organization and the local IRS Territory Manager. The final determination would be dependent upon several issues such as the level of training completed (whether done by the IRS or not), the type of volunteers recruited, and planned returns to be prepared.

➤ Philadelphia, Pennsylvania

The City of Philadelphia supports free tax preparation services by offering tax sites at many of the 53 neighborhood branches of the Philadelphia Free Library. The local EITC outreach coalition – including the United Way, the University of Pennsylvania, Blue Cross, the Pennsylvania Secretary of Health and Human Services, Community Legal Services, Working Women, and others – evaluated neighborhoods that were underserved by free tax preparation programs and strategically expanded local efforts through neighborhood-based city libraries.

Finally, some cities have chosen to create mobile tax sites that travel to different locations throughout tax season rather than – or in addition to – the fixed sites described above. Utilizing laptops, these mobile sites can roam from one neighborhood to the next, offering services to eligible residents. While this approach helps address transportation issues for filers, it makes it more difficult to let residents know where and when to expect services to be available. Further, the space on a mobile station can be cramped and less conducive to serving large numbers of filers.

Site Layout and Operations

Existing campaigns find that having filers flow through the following steps helps organize the layout of the site and improves operating efficiency. The steps are: 1) greeting and screening; 2) completing forms and waiting; 3) discussing and completing return with tax preparer; and 4) receiving an “exit” folder with copies of the completed return (or the completed return to be mailed if the filer did not electronically file).

Some sites have separate areas for steps 1 and 2 above, while others combine these in a large waiting area. The waiting area will need to be larger in sites that operate on a walk-in basis only; sites that utilize appointments only can get by with less space for these components. Greeters are the volunteers responsible for the smooth operation of

these initial phases of the operation. They ensure that filers have necessary documents with them on-site, including such things as a valid identification, social security numbers or individual tax identification numbers for all family members, all W-2s and 1099s, a copy of the previous year’s tax return, and bank account information when the filer is interested in direct depositing a refund. Finally, greeters screen out filers who do not meet the program’s income limits (if any) or whose returns are more complicated than the volunteers/staff at the site are trained to handle. Sites may have a list of quality, trusted referrals on hand to provide to filers who do not meet a campaign’s free tax preparation guidelines.

Tax preparation volunteers are primarily responsible for filers as they move into step 3 (completing the tax return). As noted above, it is preferable to have individual computer stations that offer at least a modest level of privacy – even if this just means leaving additional space between computers – to allow filers to feel comfortable sharing personal financial information. In most cases, in this part of the process the volunteer will walk through the tax form or program to complete an individual’s return. If a question comes up during a return, a tax preparation volunteer may need to have someone on-site (*e.g.*, the site coordinator, a quality control manager, or an on-site mentor) from whom they can seek

advice. At the end, the tax preparer should review the information with the filer and provide an exit folder including a copy of the return.

In cases where there are additional steps added to the tax assistance process – for instance, if filers have the opportunity to learn about other benefits or open a bank account – space will need to be designated for these activities. Alternatively, some sites try to work these into the waiting process at the front end, and others use the tax assistance process as an opportunity to discuss other potential supports and financial services and offer more information following the tax filing process.

Finally, there are operational functions that may just happen at opening and closing time and typically fall to the site coordinator. These include opening/locking the facility, ensuring that equipment is on/off, submitting online tax returns to the IRS, and analyzing site data for continuous improvement.

Client Flow: Walk-In vs. Scheduled Appointments

Tax assistance programs have the choice of serving filers entirely on a “first come, first served” basis, only through appointments, or some combination of the two.

Programs that opt for walk-in service find this to be somewhat more convenient for taxpayers, but it can also lead to longer waiting times. In addition, volunteers may find that they are swamped at certain times and locations while suffering from lulls at other times or sites. This can be bad for word of mouth advertising and volunteer morale.

Existing campaigns advise that an appointment system – assigning a specific 30-45 minute timeslot for each filer – can decrease wait times; provide steady, predictable volume for volunteers; provide basic screening upfront by phone;²¹ and better

communicate income guidelines and required documents to the client through scheduling. On the other hand, appointment setting can be labor intensive and difficult to coordinate. Moreover, when programs only operate using appointments, either filers or volunteers who do not show up disrupt the flow of service and mean that fewer potential clients get assistance.

Many programs consider a combination of appointments and walk-ins. Some initiatives have done appointments only for qualifying senior citizens and special needs clients. Other campaigns suggest employing the appointment method on identified “slow days” or during the first part of tax season when activity is the strongest.

Each community should consider the local context to determine how to maximize impact given the allotted resources. For example, if tax sites are small and do not have space available for waiting filers or if volume is expected to be low, the site may be forced to operate by appointments only.

Collecting Data

There are several important aspects of data collection to consider when planning site operations. First, there are guidelines about the data provided for the purposes of completing a tax form that can be kept and stored from individual filers. Second, coalitions may want to capture additional data from filers to help improve existing and future services. Data also can be collected in a manner that allows it to be powerful tool to assist with planning, fundraising, partnership recruitment, site quality, and service expansion.

²¹ Some programs use hotlines to schedule appointments; others do this utilizing site-specific schedulers; and still others contract with independent scheduling companies.

Personal Information Provided for Tax Forms

Taxpayers utilizing volunteer program services provide personal information to the volunteers, such as names, addresses, social security numbers, birth dates, and bank account information. Since this type of information is a target for identify theft, partners and volunteers must keep the information confidential and protect it from unauthorized individuals and misuse. The IRS, working with its partners, has identified a set of key principles that can help to ensure integrity and continued public trust in the volunteer tax preparation program:

- ◆ Partners and volunteers must keep confidential the information provided for tax return preparation.
- ◆ Partners and volunteers must protect physical and electronic data gathered for tax return preparation both during and after filing season.
- ◆ Partners with a need to retain and use the information (for purposes other than the preparation of the current year tax return) must provide written notice to customers outlining which pieces of information will be retained, for how long, how the information will be used, and that it will be protected. They must also obtain their approval to keep data, ensuring that the customer understands that they have an option to refuse this use of their information.
- ◆ Partners and volunteers who use IRS loaned equipment must delete customer information after filing season tax return preparation activities are completed.
- ◆ Partners and site coordinators must keep confidential any personal volunteer information provided.

For more detailed information on each of these points, please refer to the Data Confidentiality and Privacy document at www.irs.gov/pub/irs-pdf/p1084.pdf. It should be noted that a volunteer site can keep any information they want if they provide written notice to the taxpayer and the taxpayer agrees to the notice.

Data Collection to Improve Services and Increase Support

To improve service, many coalitions have designed surveys to capture additional information about the individuals they are serving at the free tax sites. Survey design is very important, and many groups recommend seeking assistance from an experienced survey designer in the community (See a sample at the end of this section). Some lessons learned from existing campaigns include:

- ◆ Try to ask questions in a manner that is not leading.
- ◆ The order of the questions is important, so ask more personal questions towards the end of the survey when more of a sense of trust has been established.
- ◆ Emphasize what the group will be using the information for and to whom (if anyone) the information will be provided.
- ◆ Stress that the survey is anonymous and that all results are presented in an aggregated way.

Coalitions may use survey data to inform other services and programs that are offered year-round, including follow up services that the tax filer specifically requests.

The Annie E. Casey Foundation recommends that intake surveys capture the following five items:

- ◆ Race/ethnicity
- ◆ Prior year tax preparation method (including refund anticipation loan receipt)
- ◆ How the taxpayer heard about the site
- ◆ Bank account status
- ◆ Public benefits received in prior year

Data on the Overall Campaign

Capturing information about the scope and effectiveness of the overall campaign can help coalitions better plan for the following tax season and formulate a compelling argument to recruit additional partners or convince potential funders to invest in the effort. Experienced coalitions recommend that sites collect at least the following information each tax season:

- ◆ Number of tax preparation sites
- ◆ Number of tax preparation volunteers
- ◆ Number of federal returns prepared
- ◆ Number Earned Income Tax Credits claimed
- ◆ Number Child Tax Credits claimed
- ◆ Total federal refund dollars claimed
- ◆ Total state refund dollars claimed

To assist campaigns with collecting this information, the National Community Tax Coalition has developed a software system along with a data dictionary. If you are interested in more information about this tool, please contact Julie Kruse at jkruse@centerforprogress.org.

Marketing Free Tax Preparation Services

It is important to find the right balance between marketing and campaign operations. A heavy focus on outreach and marketing can strain the operations of an EITC tax preparation service if the program cannot meet the demand generated among the target population. Alternatively, EITC campaigns have found tax preparation sites remain underutilized if there is insufficient outreach and marketing.

Many of the outreach and public education strategies noted in Part III above are as applicable to advertising free tax assistance as they are to promoting the EITC more broadly.

One of these strategies – hotlines – can be particularly useful in making sure that individuals know where to find tax assistance and what each site’s hours of operation are. Some hotlines even allow users to enter their zip code to find the closest tax site. In addition, hotlines may include screening questions (*e.g.*, income, household size, and place of residence) to determine if a caller is eligible for the EITC before proceeding to an operator. This helps cut down on the number of calls that operators must field. Hotlines can also provide information on the proper documents and identification needed at the tax site.

For areas with diverse populations, it is particularly important to make sure that outreach is done in appropriate languages and that immigrant workers without a social security number know how to get an Individual Taxpayer Identification Number (ITIN) (see below).

A Special Note on Serving Immigrants

Sites usually require a valid form of identification in order to complete a filer's return. While this is most often a social security card and a valid driver's license, campaigns that serve a large number of immigrants who do not possess social security numbers (SSN) may encourage these filers to apply for Individual Taxpayer Identification Numbers (ITINs). Tax filers cannot claim the EITC without a social security number; however, it is still important to help immigrants file taxes, claim children as dependents, and claim other tax credits, including the Child Tax Credit.²²

An ITIN is issued by the IRS to individuals who are required to have a U.S. taxpayer identification number but who do not have, and are not eligible to obtain, a Social Security number (SSN) issued by the Social Security Administration. The ITIN is used in place of a SSN on a tax return to identify a taxpayer who does not have a SSN or to identify a spouse or dependent without a SSN who is listed on the tax return.

To obtain an ITIN, individuals must complete IRS Form W-7 and submit it with the tax return for which it is intended. It is suggested that tax site interested in offering ITINs to residents become acceptance agents. Acceptance agents are authorized by the IRS to assist applicants in obtaining ITINs and submitting applications to the IRS. If the site is not an acceptance agent, they can still help the taxpayer complete paperwork, but the taxpayer will have to submit original identification documents that accompany the W-7 directly to the IRS ITIN unit. If a tax site is interested in becoming an acceptance agency, contact Sharon Bradley with the IRS ITIN Program Office at: 404-338-7085 or sharon.bradley@irs.gov. More information is also

available from the National Community Tax Coalition at: www.tax-coalition.org.

It is important to note that an ITIN does not:²³

- ◆ entitle an individual to a SSN;
- ◆ enable a taxpayer to claim the EITC or permit a child with an ITIN to be claimed for the EITC;
- ◆ cause any adjustment to the individual's immigration status;
- ◆ mean that the individual is an undocumented worker; or
- ◆ give the individual the right to work in the U.S.

Undertaking Post-Campaign Activities²⁴

While most of the work of an EITC campaign is concentrated between early January and April 15, there are some key post-campaign activities that should not be forgotten. These include:

- ◆ **Appreciation Parties:** A terrific way to celebrate the hard work of staff, volunteers, business sponsors, donors, and campaign partners is to host appreciation parties. Recognizing volunteers' time commitment and dedication shows that campaign leaders value their efforts. Volunteers who feel valued are more likely to continue volunteering. The same is true of site staff, sponsors, and campaign partners.
- ◆ **Report Results:** Campaign partners, donors, and the target community will be interested in knowing the results of the EITC campaign. When data is available, it is important to prepare reports to share with the public.

²² Source: The Annie E. Casey Foundation.

²³ Source: Center on Budget and Policy Priorities.

²⁴ Source: The Annie E. Casey Foundation.

- ◆ **Evaluate Performance:** The end of a campaign also is an excellent time for EITC campaign partners and staff to assess performance, and to evaluate the extent to which they met the goals defined in the planning stage.
- ◆ **Prepare to Handle Errors, Post-Filing Season Assistance:** Low-income taxpayers may need assistance after the end of the tax season. Many taxpayers claiming the EITC or other tax credits are contacted later by the IRS and are required to clear up any errors or ambiguities. Other taxpayers may find out after the filing season that they had qualified for the EITC, or are eligible to claim the EITC for back years. EITC campaigns should consider providing post-filing assistance, or at the very least, maintain and hand out a referral list of agencies offering post-filing assistance.
- ◆ **Start Planning for Next Year:** Once campaign partners have recovered from the flurry of activity during tax season, campaign leaders should to initiate a meeting to start planning for the next year of activities.
- ◆ **Promote of Advance EITC:** Eligible workers with children may choose to take part of their current-year EITC in their paychecks. They can elect to do this at any time of the year. The Advance EITC increases a worker's net take-home pay without increasing payroll or income taxes. EITC campaigns can conduct outreach on Advance EITC year-round. Many employers remain unfamiliar with this option. Workers may require additional information to decide if this is the best choice for them and to be aware of the need to stop Advance EITC payments if their income or family circumstances change in ways that would affect their overall EITC eligibility.

➤ Free or Low-Cost Tax Preparation: Key Roles for City Officials

Recruit volunteers by speaking at business and membership clubs (*e.g.* the Chamber of Commerce, the Rotary Club)

Ask employers to sponsor sites

Approach universities for student and faculty volunteers

Advertise & market sites through the city's website

Hold press events at tax sites to kick off the season

Report progress throughout, and at the end of, the tax season through speeches and public events

Host an appreciation event for volunteers, donors, and partners and publicly recognize their contributions

➤ City Best Advice

Start with a limited number of sites and grow

Timing is crucial – start early and plan for waves of customers

Consult with other EITC campaigns

Value quality over quantity

Establish back up plans for technical difficulties

Assess performance of each site throughout the campaign

Publicly thank volunteers, donors, and partners

Create a strategy to help filers post-season

Ask volunteers and staff for input on what went well and what needs to be changed

Help Low-Income Taxpayers And Make a Difference

An Attractive Opportunity for Accountants and Students

Community Tax Aid, Inc., now starting our 16th year of service, offers *free* tax help to low-income individuals. Last year 225 volunteers helped nearly 1,600 taxpayers.

Flexible Locations and Schedules – CTA has sites in DC, Maryland, and Virginia.

Each site is open on *weekends or weeknights* during the February to April tax filing season. You can work *as little as 3 hours a week for 3 or 4 weeks*, at the site most convenient to you.

No Experience Necessary – Prepare taxes, provide site support, or provide translation assistance.

Tax Preparers – While many volunteers have experience in accounting or tax law, everyone is welcome. CTA's comprehensive training program – on a weekend *or* two weeknights – focuses on individual taxes for low-income filers. (CPAs can even qualify for up to 6 hours of CPE credit.)

Site Support – It takes more than volunteer tax preparers to keep our sites running. Volunteer to greet and orient clients, to photocopy and assemble tax returns, or to provide administrative and operational support at a tax site.

Translators – Half of CTA clients speak English as a second language. CTA needs volunteer translators at our tax preparation sites and assistance translating our materials. The greatest need is for translators fluent in Spanish, Cantonese and Mandarin, and there is strong demand for American Sign Language, Arabic, Farsi, French, Korean, Russian, Serbo-Croatian, Turkish, and Vietnamese, but CTA sees clients who speak over 40 different languages.

No Risk – Volunteers preparing income tax returns free of charge are not considered preparers. CTA is nonprofit 501 (c)(3) and all tax returns are done free of charge.

You'll Get Plenty of Support – At every site, experienced managers review all work and are always available to answer questions.

Contact us ...

For more information, or to sign up and make a difference in someone's life, send an e-mail to ctavol@aol.com, or call us at (202) 347-4811.

Community Tax Aid, Inc.*

Box 33704, Washington DC 20033-0704

Web: www.gwscpa.org/cta/index.htm

E-mail: CTAvol@AOL.com

Office: (202) 347-4811

*A 501(c)(3), tax-exempt, non-profit organization

Help Make a Difference for the People of Boston

JOIN MAYOR MENINO'S EARNED INCOME TAX CREDIT INITIATIVE

Volunteer to Help People Take Advantage of the Earned Income Tax Credit (EITC)

Q: WHAT IS THE EITC?

A: A federal income tax credit that brings more people out of poverty than any other federal program, including welfare. The EITC provides cash refunds of up to \$4,000 to low and moderate income working families and individuals. Unfortunately, many eligible workers do not even know about the program. While the EITC put \$35 million dollars back in the pockets of Boston's working poor last year, \$9 million was left unclaimed.

Q: WHAT CAN I DO TO HELP?

A: In order to receive this tax credit, low wage earners must file a federal income tax return, even if the IRS does not require them to file because of their low income. Therefore, it is critical not just to make these workers aware of the EITC, but also to provide them with assistance in preparing and filing their tax returns. This year, the City of Boston will open five new tax preparation sites where volunteers will provide free aid to low and moderate income families. Volunteers are critical to the success of these sites.

As a Volunteer we ask that you commit to working at least three 4-hour shifts at one of the sites in the evenings or on the weekends. Before working these shifts volunteers will need to complete one of the seven-hour training sessions scheduled in January. The training sessions will take place at the Boston Training Center at 4 Copley Place, on the dates and times listed below:

2 WEEKEND TRAINING SESSION OPTIONS:

Saturday	January 19	9:00 a.m. - 4:30 p.m.
Saturday	January 26	9:00 a.m. - 4:30 p.m.

**TO BECOME A VOLUNTEER WITH BOSTON'S EITC INITIATIVE PLEASE CALL
MIMI TURCHINETZ AT 617.918.5259.**

THANK YOU!



CITY OF BOSTON | THOMAS M. MENINO, MAYOR

Tax Counseling Project New Volunteer Application 2003 Tax Season

Please fax or mail completed form to:
Tax Counseling Project, a project of the
Center for Economic Progress
29 E. Madison, Suite 910
Chicago, IL 60602
Phone: (312) 252-0280
Fax: (312) 252-0285

Name: _____
First Name M.I. Last Name

Occupation: _____

Employer: _____
Name

Address _____

City State Zip Code

Telephone: Daytime () _____ ext. _____ Fax () _____

Evening () _____

E-Mail: _____
Work Home

Home Address: _____
Street Apt. No.

City State Zip Code

Where do you prefer to be contacted? Work ☐ Home ☐ Either ☐

Site (if applicable): _____

If currently a student, please list name of college, university, or high school _____

I speak a foreign language: _____

_____ I am a CPA and would like to earn CEUs.

Have you ever prepared income tax returns for others? Yes ☐ No ☐
If yes, how many years? _____

Do you prepare your own income tax returns? Yes ☐ No ☐

_____ I want to help the project, but do not want to prepare tax returns. Call me with information on other volunteer opportunities.

Name and contact information of friend, company, or organization that may be interested in helping:

How did you hear about this volunteer opportunity? _____

Volunteer Pledge of Confidentiality and Service:

As a volunteer tax preparer, I pledge not to divulge, distribute or make public any client's personal or financial information. By signing this form I commit to serving as a volunteer with TCP for no less than 6 weeks.

Signature

C.A.S.H. Volunteer Information Form

PERSONAL INFORMATION							
Name			Preferred Email				
Address			City	Zip	Preferred Phone		
Employer (or former employer if retired)			Occupation		2 nd Phone		
Emergency Contact: _____							
Name			Phone				
VOLUNTEER INFORMATION							
Interests/Skills: _____							
Volunteer position preferred: (check all that apply)					Time commitment: Late Jan. – April 15th		
<input type="checkbox"/> Tax Preparer (Experience not necessary. Must be available for training.)							
<input type="checkbox"/> Greeter/Scheduler <input type="checkbox"/> CASH Advisor <input type="checkbox"/> Translator <input type="checkbox"/> Outreach							
How often would you like to volunteer? <input type="checkbox"/> Daily <input type="checkbox"/> Once a Week <input type="checkbox"/> 2 or 3 Times a Week							
AVAILABILITY							
Please indicate available times.	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
morning							
afternoon							
evening							
Preferred Location/Agency: _____							
REFERENCES							
Name: _____		Phone: _____		Email: _____			
Name: _____		Phone: _____		Email: _____			
Name of a friend, organization, or company that may be interested in volunteering:							
Name: _____		Phone: _____		Email: _____			
How did you hear about this opportunity?							



Thank you for your time.

Please forward to: Cathy Feldman
 C.A.S.H. Volunteer Coordinator
 (585) 242-6485 United Way
 (585) 242-6500 (FAX) 75 College Avenue
cash@uwrochester.org Rochester, NY 14607
www.uwrochester.org

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2004 BOSTON EARNED INCOME TAX CREDIT CAMPAIGN TAXPAYER ELIGIBILITY CHECKLIST



Please answer the following questions about our ability to prepare your return:

	Yes	No
1. Was your 2003 income greater than what appears in the following list?		
Single/head of household with 2 or more children . . \$33,692		
Single/head of household with 1 child . . \$29,666		
Single/head of household with no children . . \$11,230		
Married, filing jointly with 2 or more children . . \$34,692		
Married, filing jointly with 1 child . . \$30,666		
Married, filing jointly with no children . . \$12,230		
2. Did you own your own business or were you self-employed in 2003?		
If yes, did your 2003 expenses exceed \$2500?		
3. Did you receive any Form 1099 documentation (MISC, G, R, INT, etc.)?		
4. Are you or your spouse a landlord?		
5. Did you have investment income in 2003? (like interest on a savings account)		
If yes, is that amount greater than \$2,600?		
6. If you have no dependent children, are you (and your spouse) between 25 and 65?		
7. Can you or your spouse be claimed as someone else's dependent?		
8. Did your dependent(s) live with you for at least 6 months of 2003?		
9. Is anyone else claiming your dependent children on another tax return?		
Please note: If two unmarried parents live together with their child(ren) and each parent files as a single person, both parents cannot claim the same child.		
10. Do you, your spouse, or any of your dependents have an I-TIN (Individual Taxpayer Identification Number)?		
11. Did you pay alimony in 2003?		
12. Did you receive alimony in 2003?		
13. Did you live and/or work outside of Massachusetts in 2003?		
14. Did you file state taxes in Massachusetts last year? (if no, you must paper file)		
15. Did you receive an advance Child Tax Credit check in 2003?		
16. Did you receive mail from the IRS asking you to complete a new form (8836) to claim the EIC?		
17. Were you a foster parent in 2003?		
18. Did you adopt a child in 2003?		
19. Was there a birth or death in your family last year?		

Information & Paperwork you need in order to file today:

Item	Got it	Don't have it	N/A
1. Social Security card for you.			
2. If filing jointly, Social Security Card for your spouse.			
3. Children's Social Security Cards (one for each child).			
4. Form W-2s (Earnings Statement) for you from every employer during 2003.			
5. If filing jointly, Form W-2 for your Spouse from every employer during 2003.			
6. If you received Unemployment during 2003, Form 1099G.			
7. Any Forms beginning with 1099. (like, 1099-R, 1099-MISC, or 1099-INT)			
8. Form 1098 (Tuition Payment statement) for each household member.			
9. Total of Payments made for child care expenses, as well as the Name, Address, and SSN of child care provider.			
10. Total amount of student loan interest paid.			
11. Total rent paid in 2003 along with landlord's name and address.			
12. A checkbook or voided check for Direct Deposit.			

2004 BOSTON EARNED INCOME TAX CREDIT CAMPAIGN TAXPAYER INFORMATION FORM



In order to serve you better and reduce wait time, please take a few minutes to complete the following form. This will make preparation of your tax return much faster. Thanks!

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TAX PREPARATION INFO ABOUT YOU				INFO ABOUT YOUR SPOUSE (IF APPLICABLE)	
SOCIAL SEC #:				SOCIAL SEC #:	
FIRST NAME:	MID INIT:	BIRTHDATE:		FIRST NAME:	MID INIT:
LAST NAME:		BIRTHDATE:		OCCUPATION:	
OCCUPATION:		OCCUPATION:			
DAY PHONE:		EVE PHONE:		CELL PHONE:	
ADDRESS:		APT.#:	CITY:	ZIP CODE:	
FILING STATUS: <input type="checkbox"/> Single* <input type="checkbox"/> Head of Household <input type="checkbox"/> Married, filing jointly <input type="checkbox"/> Qualifying Widow(er) <small>* If filing single, are you also a qualifying dependent on another taxpayers return? <input type="checkbox"/> Yes <input type="checkbox"/> No</small>					
INFO ABOUT OTHER MEMBERS OF YOUR HOUSEHOLD (IF APPLICABLE)					
FIRST NAME	LAST NAME	DATE OF BIRTH	SSN	RELATIONSHIP	# months in home
		/ /			
		/ /			
		/ /			
		/ /			
Types of income received in 2003: <input type="checkbox"/> Wages <input type="checkbox"/> Social Security <input type="checkbox"/> Unemployment <input type="checkbox"/> 1099 income <input type="checkbox"/> Alimony <input type="checkbox"/> Other					
ADVANCE CHILD TAX CREDIT If you received an advance child tax credit, how much was your check? \$ _____					
LAST YEAR'S EXPENDITURES WHICH MAY EARN YOU DEDUCTIONS					
\$ _____ Student Loan interest paid in 2003 How many times have you filed for this deduction before? _____					
\$ _____ Total amount of Child Support received or paid in 2003					
\$ _____ Child Care Expenses paid in 2003 Name/SSN of Provider: _____					
\$ _____ College Tuition Paid in 2003 HOPE or Lifetime Learning Credit? <input type="checkbox"/> Yes <input type="checkbox"/> No					
\$ _____ Rent paid in 2003 Name & Address of Landlord: _____					
\$ _____ Contribution toward an employer-sponsored retirement plan or an IRA (Saver's Credit)					
If you are choosing Direct Deposit for your refund, do you want it to go to checking or savings ? (circle one)					

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That's all the information we need to prepare your taxes. We are committed to ensuring the accuracy of all the tax returns we prepare, but as with any paid or unpaid tax preparer, returns prepared by this office may be subject to future audit by the IRS. Using our free service does not protect you from being audited by the IRS and as the taxpayer you are responsible for the accuracy of the information in this return.

All of the information on this sheet of paper will be kept private and confidential—we will only share that personal information which is necessary for the IRS to complete your return. Your privacy is important to us and your personal information will be kept private and confidential. Some information on this page will be used in a statistical report combining ALL taxpayers participating in this program—no personally identifying information about you will be released to any person or organization.

Your signature acknowledges that you have read and agree to the information policies described above.

Signature	Name Printed	Date
FOR OFFICE USE ONLY FOR OFFICE USE ONLY FOR OFFICE USE ONLY		
Preparer's Name:		Taxpayer is willing to be a media contact <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Federal paper filed—Date:		<input type="checkbox"/> Massachusetts paper filed—Date:
<input type="checkbox"/> Federal e-file—Date:		<input type="checkbox"/> Mass. e-file—Date:
<input type="checkbox"/> Rejected—Date:	<input type="checkbox"/> Accepted—Date:	<input type="checkbox"/> Rejected—Date: <input type="checkbox"/> Accepted—Date:
<input type="checkbox"/> Federal 8453 mailed—Date:		<input type="checkbox"/> M-8453 mailed—Date:

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2004 BOSTON EARNED INCOME TAX CREDIT CAMPAIGN



The National
Tax Assistance
For Working
Families Campaign

BUILD YOUR FUTURE WITH THE
EITC AND OTHER TAX CREDITS

TAXPAYER INFORMATION FORM, PART 2

The following information helps us to understand the taxpayers we serve so that we can advocate effectively for our communities at local and national levels of government. We will never share your personal information with any organization or its representatives.



GENDER: <input type="checkbox"/> Male <input type="checkbox"/> Female		VETERAN STATUS: <input type="checkbox"/> Veteran <input type="checkbox"/> Not A Veteran	
RACE/ETHNICITY: <input type="checkbox"/> Asian/Pacific Islander <input type="checkbox"/> Black <input type="checkbox"/> Hispanic or Latino/a <input type="checkbox"/> Native American <input type="checkbox"/> White <input type="checkbox"/> Other:			
LANGUAGE SPOKEN AT HOME:			
<input type="checkbox"/> English	<input type="checkbox"/> Albanian	<input type="checkbox"/> Cantonese	<input type="checkbox"/> Cape Verdean Creole
<input type="checkbox"/> Greek	<input type="checkbox"/> Haitian Creole	<input type="checkbox"/> Hmong	<input type="checkbox"/> Italian
<input type="checkbox"/> Laotian	<input type="checkbox"/> Mandarin	<input type="checkbox"/> Polish	<input type="checkbox"/> Portuguese
<input type="checkbox"/> Sign Language	<input type="checkbox"/> Somali	<input type="checkbox"/> Spanish	<input type="checkbox"/> Swahili
<input type="checkbox"/> Vietnamese	<input type="checkbox"/> Other:	<input type="checkbox"/> Croatian	<input type="checkbox"/> French
		<input type="checkbox"/> Japanese	<input type="checkbox"/> Khmer
		<input type="checkbox"/> Russian	<input type="checkbox"/> Serbian
		<input type="checkbox"/> Thai	<input type="checkbox"/> Toisanese
EDUCATION STATUS: <input type="checkbox"/> 0-8 Grades <input type="checkbox"/> 9-12 Grades (No Diploma) <input type="checkbox"/> High School Grad <input type="checkbox"/> GED <input type="checkbox"/> Some College <input type="checkbox"/> College Grad			
OTHER CHARACTERISTICS: (please check all that apply)			
<input type="checkbox"/> Family has Private Health Insurance		<input type="checkbox"/> Family receives Medicare	
<input type="checkbox"/> Family receives Food Stamps		<input type="checkbox"/> Family receives TANF	
<input type="checkbox"/> Family receives MassHealth		<input type="checkbox"/> Family receives WIC	
ARE YOU DISABLED IN ANY WAY? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please describe:			
HOUSING STATUS: <input type="checkbox"/> Rent <input type="checkbox"/> Own <input type="checkbox"/> Homeless HOUSING TYPE: <input type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Subsidy <input type="checkbox"/> Shelter			
HOW DID YOU HEAR ABOUT THIS FREE TAX PREP SITE? (please check all that apply)			
<input type="checkbox"/> I walked by	<input type="checkbox"/> Television	<input type="checkbox"/> Radio	<input type="checkbox"/> Flier or poster
<input type="checkbox"/> Friend	<input type="checkbox"/> Family	<input type="checkbox"/> Employer	<input type="checkbox"/> Coworker
<input type="checkbox"/> Knock on door	<input type="checkbox"/> Other:	<input type="checkbox"/> Newspaper	<input type="checkbox"/> Church
<input type="checkbox"/> Subway or bus	<input type="checkbox"/> School		
DID YOU FILE TAXES LAST YEAR? <input type="checkbox"/> Yes <input type="checkbox"/> No		IF YOU GOT A REFUND LAST YEAR, WHERE DID YOU CASH YOUR REFUND CHECK? (check one)	
If yes, did you receive a refund? <input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Direct Deposit <input type="checkbox"/> Bank	
If yes, did you qualify for the Earned Income Tax Credit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Check Casher <input type="checkbox"/> Store (like Stop & Shop)	
If yes, did you file electronically? <input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Employer <input type="checkbox"/> Other:	
If yes, did you get an instant refund? <input type="checkbox"/> Yes <input type="checkbox"/> No			
IF YOU FILED LAST YEAR, WHO PREPARED YOUR TAX RETURN? (check one)		WHAT DO YOU PLAN TO DO WITH YOUR REFUND THIS YEAR? (please check all that apply)	
<input type="checkbox"/> I did it myself		<input type="checkbox"/> Buy groceries	
<input type="checkbox"/> A friend or relative did it for free		<input type="checkbox"/> Pay back taxes	
<input type="checkbox"/> I came to this free assistance site		<input type="checkbox"/> Pay bills	
<input type="checkbox"/> I went to a different free assistance site		<input type="checkbox"/> Go on vacation	
<input type="checkbox"/> I went to a commercial preparer (like HR Block®)		<input type="checkbox"/> Pay child expenses	
<input type="checkbox"/> I went to a paid preparer (like an accountant)		<input type="checkbox"/> Pay medical bills	
		<input type="checkbox"/> Pay for education	
		<input type="checkbox"/> Put some into savings	
		<input type="checkbox"/> Home repairs	
		<input type="checkbox"/> Save for a home	
		<input type="checkbox"/> Home improvement	
		<input type="checkbox"/> Other:	
DO YOU HAVE A BANK ACCOUNT?			
<input type="checkbox"/> Yes, checking & savings <input type="checkbox"/> Just checking <input type="checkbox"/> Just savings <input type="checkbox"/> No, but I want an account <input type="checkbox"/> No, and I <u>don't</u> want an account			
ARE YOU INTERESTED IN . . . (check all that apply)		WOULD YOU LIKE HELP WITH ANY OF THE FOLLOWING? (check all that apply)	
<input type="checkbox"/> Buying a house		<input type="checkbox"/> Solving credit problems	
<input type="checkbox"/> Buying a car		<input type="checkbox"/> Solving bank problems	
<input type="checkbox"/> Paying for college for yourself		<input type="checkbox"/> Debt management	
<input type="checkbox"/> Paying for college for your kids		<input type="checkbox"/> Opening a bank account	
<input type="checkbox"/> Paying for some technical training for yourself		<input type="checkbox"/> Saving and investing	
<input type="checkbox"/> Starting a small business		<input type="checkbox"/> Household budgeting	
<input type="checkbox"/> Other:		<input type="checkbox"/> Other:	
ARE YOU REGISTERED TO VOTE? <input type="checkbox"/> Yes <input type="checkbox"/> No		ARE YOU INTERESTED IN APPLYING FOR FOOD STAMPS? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Client Questions-2004

Certain funding sources for this program require that we gather demographic information about our clients. Please answer the following questions. This is optional but will help us to serve you better. Thank you!!!

- I. Which of the CAP services have you used or would you find most helpful to your family? (circle each letter that applies.)
 - A. Free Tax Preparation
 - B. Home Ownership
 - C. Rent
 - D. Social Services
 - E. Eye Glass Clinic
 - F. Head Start
 - G. Individual Development Account (IDA)
 - H. PASS (Parents Assistance with School Supplies)
- II. What is your race? (optional)
 1. Caucasian
 2. African American
 3. Hispanic
 4. Asian
 5. American Indian
 6. Other or mixed
- III. How did you hear of our Tax Program?
 1. Past Client
 2. Posters
 3. Bus
 4. T.V.
 5. Radio – Specify Station
 6. Newspaper
 7. Employee of CAP
 8. Friend/Family
 9. Other
- IV. What is your gender? (optional)
 1. Male
 2. Female
- V. Do you own a home?
 1. Yes
 2. No
- VI. Would you be interested in us contacting you about our Benefits Eligibility Program? (BESO)
 1. Yes
 2. No
- VII. Do you have a bank account? (Circle all that apply)
 1. Checking
 2. Savings
 3. Both

Give this form to your tax preparer.

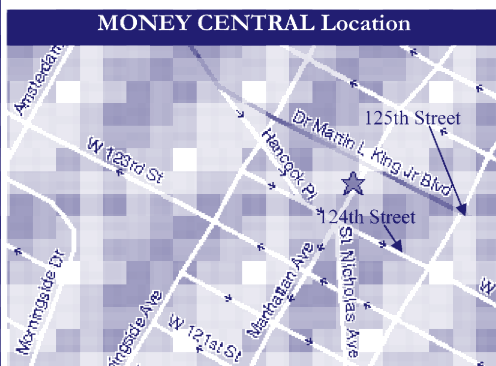
Community Action Project of Tulsa County

+ Sample Free Tax Preparation Marketing Materials

(Source: Community Food Resource Center of New York City, New York)

It's Your Money, Come and Get It!

CFRC's Money Central Will Help



Map provided by MapQuest.com, Inc.

Free Quality Tax Assistance

Call TOLL FREE
1 866 WAGE PLUS (1-866-924-3758)

or visit MONEY CENTRAL

Receive Your Tax Refund In As Little As
7 — 10 Days!

What You Need to Bring

Harlem: CFRC Food & Finance Center

284 St. Nicholas Avenue

Between 124th and 125th Streets on Harlem USA Block

Subway: 2, 3, A, B, C, D to 125th Street

When: January 20 – April 15, 2004

Hours: Monday – Friday, 11 – 8;
Saturday, 10 – 6; Sunday 1-6

Income Eligibility:

- Income of less than \$15,000 without dependent children.
- Income of less than \$35,000 with dependent children.

No appointment necessary!

- Social Security cards (must bring original, a copy or a copy of last year's tax return) or ITINs; and dates of birth for yourself and all family members you are claiming.
- W-2s for all jobs held in 2003 and any other tax-related documents.
- Form 1099-G if you received unemployment insurance in 2003.
- Form 1099-INT if you received interest from a bank account in 2003.
- If you are claiming childcare expenses, documentation of expenses and childcare agency's ID or Social Security number of provider.
- If you are filing your taxes with a spouse, please bring your spouse.
- A sample check if you want direct deposit of your refund.
- 2 photo IDs (*1 government issued*) to open a savings account and receive the refund within 7 to 10 days.

In partnership with 1199SEIU, DC 37, Catholic Charities Community Services, Chinatown Manpower Project, Citizens for NYC, Goodwill Industries, HELP USA/EBES, Henry Street Settlement, Homesteaders, IRS, Lenox Hill Neighborhood House, Mayor's Office of Health Insurance Access, New York City Department of Consumer Affairs, NYC Employment & Training Coalition, Riverside Language Program, Seedco/N-PAC, Single Stop, Speaker Gifford Miller & The New York City Council, The Bridge Fund, The Bridge Program, The Hope Program, Upper Manhattan Together, VIP Community Services.



Call Toll Free 1 866 WAGE PLUS (1-866-924-3758)

www.cfrcnyc.org

+ Sample Free Tax Preparation Marketing Materials

(Source: Community Action Project of Tulsa County, Oklahoma)

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TULSA, OK

Community Action Project
of Tulsa County
717 S. Houston, Suite 200
Tulsa, OK 74127



Sponsored by:

Website- www.captc.org

2 or more	\$33,649	\$11,199	\$12,199	\$1 to \$ 382
1 child	\$29,649	\$11,199	\$12,199	\$1 to \$ 382
None (You must be 25+ yrs)	\$29,649	\$11,199	\$12,199	\$1 to \$ 382
Married Filing Joint	\$33,649	\$11,199	\$12,199	\$1 to \$ 382

Dependent Children Maximum 2003 Income Possible Refund

EARNED INCOME TAX CREDIT

Walk-Ins Welcome

January 15, 2004, 382-3333
Call for an appointment starting
back of this card.
Sites and Hours are listed on the
Tax Preparation starts February 1st.
Community Action Project's FREE
Dear Tax Client:

CAP Tax Preparation

with **Electronic Filing**
for Low-to-Moderate Wage Workers



The National
Tax Assistance
For Working
Families Campaign

BUILD YOUR FUTURE WITH THE
EITC AND OTHER TAX CREDITS

Make an Appointment . . .

Call the **Hotline**

382-3333

Visit the
CAP
Website
www.captc.org

For Fast, Efficient Filing, Please Bring . . .

- A Social Security Card for each family member
- A copy of last year's return would be helpful
- All items listed below that apply to you or your family:
 - ☐ W-2 forms for all jobs worked in 2003
 - ☐ All 1099's for all other income, if any
 - ☐ Other tax related documents, incl. child tax credit advance paperwork
 - ☐ Child care provider name, address and tax ID number
 - ☐ Voided bank check for automatic deposit

NOTE: Both parties if married filing joint, need to be present to sign return

Tax Site Locations and Hours—2004

- Bank of Oklahoma** - Pine and Lewis, Springdale Shopping Center
 - ➔ Monday-Thursday 9 a.m. to 7 p.m.
 - ➔ Friday & Saturday 9 a.m. to 3 p.m.
 - ➔ Sunday (February only) 1 p.m. to 4 p.m.
- Tulsa Federal Employees Credit Union** - 9323 E. 21st St.
 - ➔ Monday-Friday 9 a.m. to 3 p.m.
- Houston Center** - 717 South Houston Suite 200
 - ➔ Monday-Thursday 9 a.m. to 7 p.m.
 - ➔ Friday & Saturday 9 a.m. to 3 p.m.
- South Peoria Neighborhood House** - 1208 E. 58th St.
 - ➔ Monday & Thursday 12 p.m. to 7 p.m.
 - ➔ Tues, Wed, Fri, Sat 9 a.m. to 3 p.m.
- Carbondale Assembly of God** - 2135 W. 51st St.
 - ➔ Thursday 9 a.m. to 7 p.m.
 - ➔ Saturday 9 a.m. to 1 p.m.
- Owasso** - 301 S. Cedar, Owasso Senior Citizen Center
 - ➔ Tuesday & Thursday 10 a.m. to 3 p.m.
- Broken Arrow** - 1800 S. Main, Broken Arrow Senior Citizen Center
 - ➔ Wednesday & Friday 9 a.m. to 3 p.m.
- Claremore - RCB Bank** - 311 S. Muskogee
 - ➔ Tuesday-Thursday 10 a.m. to 7 p.m.
 - ➔ Saturday 9 a.m. to 5 p.m.
 - ➔ Sunday 1 p.m. to 5 p.m.

New
Site

New
Site

COMMUNITY ACTION PROJECT - Serving Tulsa with FREE Tax Preparation & EITC Tax Credits since 1995.



PART V :

Connecting Families to Multiple Benefits

Cities and local coalitions that are already making an investment in identifying and reaching out to low-income families to promote the EITC can use this opportunity to ensure that these families are also getting a variety of other tax credits and benefits, such as the Child Tax Credit, food stamps, or free or low-cost health insurance.

Multi-benefit outreach increases the impact of the city's efforts by further strengthening families and drawing down additional federal and state

resources. In addition to getting more “bang for the buck,” this approach also makes more sense for families who can learn about many different supports at one time in a non-stigmatizing setting.

Identifying Additional Work Supports to Promote

Tax Credits

Perhaps the easiest additional supports to pair with the EITC are other tax credits for which low-income working families may be eligible. By incorporating other relevant tax credits into

training for volunteer tax preparers, they city can help ensure that families get all of the benefits to which they are entitled through the tax code. Some examples of additional tax credits that may be relevant include:

- ◆ **Child Tax Credit (CTC):** The CTC can provide up to \$1,000 per child for single parents with an income below \$75,000 or married parents with a combined income below \$110,000. Grandparents or other relatives raising a child and foster parents may also claim this credit, which is used to reduce or eliminate federal income tax liability. The CTC can also provide a refund for some low-income workers earning more than \$10,750, even if they do not owe federal income taxes.
- ◆ **Child and Dependent Care Credit:** This credit allows parents to claim a tax credit for any legal child care expenses so that parents can work. For tax year 2003, the credit provided up to \$1,050 for one child and up to \$2,100 for two children or more. However, families who do not owe taxes cannot claim the federal credit. Twenty-eight states and the District of Columbia have established state-level dependent care credits, and twelve of these are “refundable” allowing families to receive a credit whether or not it exceeds their total state tax liability.
- ◆ **Saver’s Credit:** The Saver’s Tax Credit helps offset the cost of the first \$2,000 contributed to IRAs, 401(k)s, and certain other retirement plans. This credit applies to individual adults with incomes up to \$25,000 (\$37,500 for a head of household) and married couples with incomes up to \$50,000. The credit is a percentage of the qualifying contribution amount, with the highest rate for taxpayers with the least income. The Saver’s Credit is added to whatever other tax benefits may

result from the retirement contributions. For example, most workers at these income levels may deduct all or part of their contributions to a traditional IRA.²⁵

Benefit Programs

In addition to other programs related to the tax system, families who qualify for the EITC may also qualify for other supports that can supplement their earned income. These include:

- ◆ **Nutritional Supports:** Families applying for the EITC may also be interested in federal programs to ensure that families receive adequate nutrition. For example, the federal Food Stamps Program provides low-income families with monthly allowances (generally through electronic benefit transfer cards) that can be used to purchase food. In addition, low-income pregnant and postpartum women, infants, and children found to be at nutritional risk may qualify for support through the Women, Infants, and Children (WIC) program. WIC provides monetary support for supplemental foods, health care referrals, and nutrition education.
- ◆ **Free and Low-Cost Health Insurance:** Health care represents another area in which working families may be missing out on needed supports. Funded through a federal-state partnership, the Medicaid program is the largest source of funding for medical and health-related services for low-income people in the nation, but many eligible families do not know they qualify. Although eligibility varies from state to state, all states must provide Medicaid coverage for children under age 6 and pregnant women whose family income is at or below 133 percent of the federal poverty line. In addition, the State Children’s Health Insurance Program (SCHIP) – which typically

25 Source: IRS Announcement 2001-106 from Internal Revenue Bulletin 2001-44.

has a state specific program name – provides free or low-cost health insurance to children whose family income is higher than the Medicaid limit but is still insufficient to cover health insurance costs. As with Medicaid, SCHIP eligibility also varies by state.

- ◆ **Child Care Subsidies:** The federal Child Care and Development Fund provides money to states to support child care subsidies. In addition, some states use welfare funds to add to these subsidies. Families generally apply for child care assistance through a county department of social services or in some cases through their local child care resources and referral agency. One caution in promoting child care subsidies is that unlike the nutritional and health programs above, there is generally not enough money to cover all eligible families, so some communities have long waiting lists.
- ◆ **Energy Assistance:** Families who qualify for the federally-funded Low Income Home Energy Assistance Program (LIHEAP) can get help meeting their home heating and/or cooling needs. LIHEAP, which is operated through states, provides bill payment assistance, energy crisis assistance, and weatherization and energy-related home repairs.

In addition, city leaders may want to explore other key benefits for low-income families, such as

transportation subsidies, housing subsidies, homelessness prevention programs, and more. (For more information on outreach materials related to some of these benefits, see Appendix A).

Providing Information on Other Credits and Benefits

Cities that are focused only on outreach and public awareness may combine information on the EITC, other federal and state benefits, and local programs in a family resource guide, or make information available in one place through family resource centers. Similarly, they may incorporate other benefit programs along with the EITC in public awareness campaigns.

Those cities that also provide – or seek to connect local families to – free-tax preparation may be concerned about diluting the EITC message by advertising all of these benefits together. In this case, it may prove preferable to simply “piggyback” on EITC-focused outreach by providing informational materials to those who show up for free tax preparation. Materials can be made available on a resource table or greeters can discuss other benefits with site visitors as they arrive.

► Burlington, Vermont

Through the leadership of Mayor Peter Clavelle, Burlington produces an annual brochure and newsletter that includes information to residents on food assistance, housing programs, tax credits, health insurance, fuel assistance, and general aid for families in need. The city has produced these informational pieces for the past four years.

► Tulsa, Oklahoma

The City of Tulsa invests close to \$80,000 a year of Community Development Block Grant funds to support the work of the Community Action Project of Tulsa County to connect residents to the EITC and other work supports. To help ensure that families receive all of the benefits for which they are eligible, Tulsa has developed and implemented a pre-screening tool called the Benefits Eligibility System for Oklahomans (BESO). BESO is a web-based tool that allows social service agencies to access information about the eligibility and application requirements of many public benefit programs, including: food stamps, energy assistance, and free or low-cost health care. BESO prompts the user to answer a series of questions, such as income level, age, and household size. It then returns information about all the benefit programs for which a resident may be eligible and lists all the documents necessary to complete the applications. Screening services are offered at tax sites during tax season as well as throughout the year in various community-based organizations.

Screening Families for Benefit Eligibility

Going a step beyond the provision of information, cities can arrange to screen families for benefit eligibility at free tax preparation sites or other community locations. Screeners not only inform clients about possible support programs, but also walk through a series of simple questions to get a better sense of whether they are likely to be eligible and, if so, the relative size of the benefit they might expect. There are a variety of tools that have been developed to facilitate the screening process, including some on paper and a growing number that utilize technology to quickly make these calculations. (For information on several of the major technology products in this area, see Appendix A).

Offering On-Site Enrollment at Tax Preparation Sites

By coordinating with the appropriate city, county, or state agencies, some sites can offer one-on-one benefit enrollment assistance at free tax preparation sites, allowing interested families to initiate an application for benefits on the spot. This approach makes it much more likely that families will actually enroll than if they are simply provided information or referrals. However, depending on the location, it may be difficult to find adequate space for these private discussions, and in many cases, families may not have all the necessary information and documentation with them.

➤ Connecting Families to Multiple Benefits Key Roles for City Officials

Host a meeting to bring together advocates and service providers working to promote a variety of benefits and programs for low- and moderate-income families

Create a family resource guide or family resource center

Incorporate references to a variety of supports for working families into public messages promoting the EITC

Coordinate with county or state officials to create streamlined applications – or even a joint application – and provide on-site enrollment

➤ City Best Advice

Keep public education messages simple

Use the time families spend waiting to have their taxes prepared to share information

Offer on-site personal assistance to explain benefits, screen for eligibility, and/or help families enroll

Use technology when possible to encourage families to apply for multiple for all benefits for which they qualify

+ Sample Multi-Benefit Outreach Marketing Materials (Source: Community Food Resource Center of New York City, New York)



Promoting access to nutritious food and adequate income
www.cfrcc.org

Other services provided at MONEY CENTRAL

At CFRC's Money Central you'll also be able to:

- **Direct deposit your refund.** If you have a bank account, you'll be able to get your refund in 7-10 days.
- **Get back taxes done.** Beginning in March 2004, you can get back taxes done for up to 3 years prior to current year.
- **Obtain an ITIN.** If you don't have a Social Security number, we will help you apply for an ITIN. Assistance is available on Wednesdays at our South Bronx, Sunset Park, Harlem, Washington Heights and Jackson Heights locations.
- **Open a savings account.** We've partnered with local banks and credit unions to help you save the money you earn. Usually no fee and no minimum balance are required.
- **Access Food Stamps and health insurance.** You can find out if you qualify for Food Stamp benefits and get help obtaining free or low-cost health insurance.
- **Get farm fresh food.** Invest a small amount to receive fresh fruits and vegetables every week from June through November. You'll pay less than you do at most groceries.

Here's what people have to say about CFRC's MONEY CENTRAL...

"I got my taxes done at Money Central and they treated me well! I received the Earned Income Tax Credit and am very happy with the extra money I got."
Portia A., working mother of three, Brooklyn, NY

"I definitely would recommend Money Central to my friends...the service was fast, professional and the staff was courteous! I was so happy I got extra money back this year, which will help me pay my bills and now I can put some away in savings."
Cleopatra B., working, single mother of two, Brooklyn, NY

"I used to pay over \$200 to get my taxes done and at Money Central I got it done for free."
Alicia A., working, single mother of two, Bronx, NY

FREE QUALITY Tax Assistance

It's Your Money/ Come and Get It

CFRC's Money Central will help



CALL TOLL FREE 1 866 WAGE PLUS
(1-866-924-3758)

MONEY CENTRAL
\$^{cfrc}

CALL TOLL FREE 1 866 WAGE PLUS
(1-866-924-3758) or call 311, NYC's helpline

EARN IT - KEEP IT - SAVE IT

More money for you and your family!!



Ask us for help with:

Child Care

with LOW-COST co-pays

Credit Counseling

FREE or LOW-COST help with your budget and repairing your debt

Food Costs

Food Stamps, WIC and/or the SHARE program

Health Insurance

FREE or LOW-COST options for you and your kids

Heating Assistance

FREE and LOW-COST help with your heating bills (LIHEAP)

Housing Counseling

FREE help planning to buy a home

Tax Preparation

FREE help preparing and filing your taxes

**The Campaign
for Working
Families**



**Take All the Money.
You Earned It!™**

***CALL PCCY at 215-563-5848,
or PathWaysPA at 215-222-0805
for more information***

The Campaign for Working Families is a partnership that promotes free filing of the federal Earned Income Tax Credit and connects Philadelphia residents to other tax credits, public benefits and asset-building resources. The Campaign is managed by the Greater Philadelphia Urban Affairs Coalition.



PART VI:

Building Assets

Today, many low-income working families are living on the edge of financial disaster. Despite their best efforts, these families continue to struggle to make ends meet and have no reserves to cover the inevitable costly crisis – such as a hospital stay or major repairs for the family vehicle – or save for investments in the future.

According to the New America Foundation, fully half of all Americans have few or no assets. As a result, 40 percent of all

Caucasian children and 73 percent of all African-American children grow up in households with zero or negative net financial assets.

Researchers find that assets do have a range of important positive effects on children, families, and neighborhoods. There is increasing evidence that assets:

- ◆ Are associated with household economic stability;
- ◆ Decrease economic strain on households;
- ◆ Are associated with educational attainment;
- ◆ Decrease marital dissolution;

- ◆ Decrease the risk of intergenerational poverty transmission;
- ◆ Increase health and satisfaction among adults;
- ◆ Increase property values;
- ◆ Decrease residential mobility;
- ◆ Increase property maintenance; and
- ◆ Increase local civic involvement.²⁶

Municipal leaders have an opportunity to aid residents in building assets that enable them to exert control over their lives and participate in their community in meaningful ways. Many of the strategies covered in this kit refer to financial assets; these can either be held as financial assets (*e.g.*, savings accounts, financial investments, retirement savings) or converted into real, intellectual, or business assets, such as home ownership, post-secondary education and training, or a new business.

Because the EITC is a significant resource above and beyond a monthly paycheck, it can be a vital tool to help working families build these needed assets. As a result, EITC campaigns across the country are developing creative asset building programs to assist families in not only getting by, but also getting ahead.

This section discusses a variety of asset building opportunities that local EITC campaigns can instigate or support, including: promoting financial literacy, consumer education to avoid high-cost financial services, fostering savings, and providing home ownership counseling and incentives. These efforts are strengthened when EITC coalitions have the right partners at the table, including financial institutions; community organizations that offer debt, credit, and homeownership counseling services; and organizations that operate asset building programs such as individual development accounts, homeownership grants, and educational funds.

Promoting Financial Literacy

It is important that families have the capacity and skills to manage financial assets. The more families know about budgeting, credit, banking services, and overall finances, the more likely they are to improve their financial health and overall family economic situation.

Some EITC campaigns have included key financial literacy messages about savings or credit in broader public awareness or public education efforts. Mayors and city councilmembers could also consider launching a city-wide financial literacy initiative or incorporating financial education curriculum into public schools.

Campaigns can also partner with community-based organizations, community colleges, or local financial institutions to offer financial education classes to which EITC tax filers could be referred.

Some existing financial education resources include:

- ◆ **The Beehive**, sponsored by One Economy, supports an interactive website offering financial education basics such as how to write a check or use an ATM. For more information, visit: www.beehive.org.
- ◆ **Community Action Partnership** offers materials including worksheets and tips at no cost. For more information, visit: www.managingmymoney.com.
- ◆ **“Credit Smart”** by Freddie Mac is a curriculum aimed at helping consumers understand, build, and maintain better credit. Materials are free and printed in both English and Spanish. For more information, visit: www.freddiemac.com/creditsmart.

²⁶ Source: Page-Adams, D. & Scanlon, E. (2001). *Assets, Health, and Well-Being: Neighborhoods, Families, Children, and Youth*. St. Louis, MO: Center for Social Development at Washington University.

- ◆ **“Finding Paths to Prosperity”** is sponsored by the IDA Financial Literacy Initiative and offers a curriculum geared toward Individual Development Account (IDA) programs. Materials include information on setting goals, planning for life events, repairing credit, and developing spending plans. For more information, visit: http://www.idanetwork.org/index.php?section=initiatives&page=financial_literacy_initiative_download.html.
- ◆ **“Money Smart”** by the Federal Deposit Insurance Corporation (FDIC) is a curriculum aimed at building financial knowledge and effectively using banking services. The free curriculum is offered in several languages. For more information, visit: www.fdic.gov/consumers/consumer/moneysmart.
- ◆ **Jump\$tart Coalition for Personal Financial Literacy** is a youth-oriented curriculum that provides a list of links to other internet financial education resources as well as a clearinghouse of resources from a variety of education providers. Most materials are free and are in English only. For more information, visit www.jumpstart.org.
- ◆ **National Community Reinvestment Coalition** is a national trade association that represents over 800 community-based organizations. The Coalition offers a two-day, six-module train-the-trainer workshop on financial literacy. For more information, visit: www.ncrc.org.
- ◆ **National Endowment for Financial Education** provides materials for both youth and adults that are free. While all adult materials are in English, there are some Spanish materials on the Teen Resource Bureau website. For more information, visit: www.nefe.org or www.ntrbonline.org.
- ◆ **“Practical Money Skills for Life”** provides a choice of viewpoints (e.g. teacher, consumer, or parent) on financial issues for youth and adults. Information is free and can be accessed at www.practicalmoneyskills.com.
- ◆ **“Your Path to Financial Freedom”** by the National Federation of Community Development Credit Unions is a free tool that includes chapters on making choices, managing money, loans, credit records, money traps, and major purchases. The materials are in English only. For more information, visit: www.natfed.org and look under Education and Training.

Helping Families Avoid High-Cost Financial Services

Closely related to financial literacy is the need to help low-income families access mainstream financial services, thereby avoiding the high-cost options of “fringe” financial services or predatory lenders. Many of these fringe financial services, while technically legal, exploit the circumstances facing lower income residents through products such as payday loans, check cashing, refund anticipation loans, and rent-to-own. More communities are seeking ways to combat these regressive, wealth-stripping practices through consumer education, connections to mainstream bank accounts, and anti-predatory lending legislation.

Consumer Education

One strategy for combating high-cost financial services is to provide low-income families with good information and options. Cities can help consumers learn about the consequences of fringe

services by launching an anti-predatory lending campaign that will heighten the public's awareness of alternative services. A community-wide marketing campaign can include the use of radio and TV ads and public service announcements, billboard and transit posters, and the distribution of posters and pamphlets.

It is important that the consumer education messages recognize why families currently use these services and provide reasonable options. For instance, campaigns can help make bank accounts available at convenient locations and at low fees as an alternative to check cashers.

Low-income families also frequently rely on pay day lenders whose products are designed for customers who are strapped for cash. These loans often come with hefty finance charges that can quickly far exceed the original loan amount thus leaving the customer with costly, long-term debt issues. Campaigns may want to promote alternative, low-cost loan options through community-based credit unions or credit counseling that will allow people to receive better loan terms.

Another predatory loan is the "refund anticipation loan" (RAL), otherwise known as a "rapid refund," which provides a high-cost, short-term loan in the amount of the individual's tax refund. Many EITC eligible individuals who have their taxes prepared by the commercial tax industry are encouraged to take a RAL and end up paying hefty fees and triple-digit interest rates. According to the Brookings Institution, in 1999 almost half of EITC recipients claimed their refunds through this form of loan. Preparation and loan fees diverted \$1.75 billion in EITC benefits away from lower-income family needs.

EITC-eligible families need access to high quality, free tax preparation services that use e-filing to ensure a quick turnaround on the refund. In addition, they need bank accounts into which refunds can be directly deposited to cut down on the time (and check cashing fees) of a paper check refund.

➤ Phoenix, Arizona

To provide low- and moderate-income families with a comprehensive foundation for saving, spending, and investing wisely, the City of Phoenix integrated a financial literacy component into their overall EITC Campaign. Tax filers at EITC sites were provided with materials, in both Spanish and English, on predatory practices such as rapid refund loans, payday loans, and rent-to-own furniture and appliances. They were also provided with information on how to save money when purchasing a car, or when seeking home ownership or refinancing of their current homes. In addition, the city worked with the Federal Reserve Bank of San Francisco to encourage financial institutions to work with the campaign to establish bank accounts for "unbanked" EITC recipients, citing benefits to the banks such as new accounts, improved community relations, and Community Reinvestment Act (CRA) points. As a result, the city co-created a program with Bank One that promoted money management information and education using the Money Smart curriculum to more than 2,000 EITC recipients.

Banking the Unbanked

Up to 20 percent of all American households are “unbanked” – they do not have a checking or savings account. These families are paying more for the same services that mainstream financial customers utilize. For example, an unbanked individual would incur costs to cash a paycheck that an individual with a bank account would not have to pay. According to the Annie E. Casey foundation, the number of check cashing businesses in the U.S. doubled between 1990 and 1999. Check casher fees quickly add up and consistently erode a family’s income. A way to provide individuals with an alternative to check cashing is to provide them with access to a bank account.

In addition to the costs to families, there can be other costs to not utilizing financial institutions. For instance, in Dallas, Texas, the police were advocates for efforts to bank the unbanked because they saw higher rates of theft in areas where people typically kept any personal savings in their homes.

When banks are brought on board as partners, they may be willing to provide free or low-cost savings and checking accounts or waive minimum balance requirements.

Some individuals are intimidated by the banking industry and may simply need a friendly introduction to banking. The most common way to facilitate banking connections is to provide easy access (often at free tax preparation sites) to bank representatives who can set up free or low-cost accounts. Bank representatives might also share the benefits of a bank account versus using local check cashing facilities (including the ability to direct deposit an EITC refund) and provide an orientation to the banking system.

Other families may have had a negative experience with a bank or may not trust financial institutions with their money. Community-based credit unions or other financial institutions – or even a bank representative who is available to provide financial advice and referrals to residents – can help overcome trust issues.

Finally, some individuals may not be able to open accounts due to poor credit history (see below). Financial institution partnerships can sometimes yield arrangements where individuals can be allowed to open an account with their EITC refund despite poor credit histories.

Debt Reduction and Credit Counseling

Many families face barriers to savings and wealth building opportunities because of poor credit and/or overwhelming debt. In many cases, these barriers must be addressed in order for families to move forward toward financial success.

Many banks utilize a system known as ChexSystems to evaluate an individual’s past credit and banking history before allowing them to open an account. In some communities, EITC campaigns have been able to forge partnerships with financial institutions to offer accounts to EITC eligible families regardless of their history.

Campaigns may also consider advertising credit clean up services offered by local community-based organizations at free tax sites. Free tax preparation sites may even partner with local organizations to offer credit counseling services on-site and help participants access their credit reports.

Local Legislation to Combat Predatory Lending

Some cities have enacted legislation to restrict predatory lending, such as Oakland, Calif.; Los Angeles, Calif.; New York, N.Y.; Washington, D.C.; Chicago, Ill.; Philadelphia, Pa.; Cleveland, Ohio; Dayton, Ohio; and Detroit, Mich. The ability to enact meaningful legislation, however, may be limited by state preemption laws. Sample legislation can be found at the following websites:

Cook County/Chicago, Ill.

<http://www.cookctyclerk.com/agendas/2001/041701/orddoc.htm>

Detroit, Mich.

http://www.mortgagebankers.org/state_update/2002/mi/detroit_1210.pdf

Toledo, Ohio

http://www.mortgagebankers.org/state_update/2002/oh/toledo_291-02.pdf

Los Angeles, Calif.

<http://www.acorn.org/index.php?id=740>

Launching a Savings Initiative

Many believe that low- and moderate-income families cannot afford to save and build wealth. Yet, research shows that there are people who save and people who spend across the income classes. It is particularly important for the financially vulnerable to save and one way to help these families build assets is to initiate or support savings programs.

Savings Campaigns

Some localities have community-based or city-led savings programs that promote savings throughout the year. One option is to create a local version of the America Saves program, which is a nationwide campaign in which a broad coalition of nonprofit, corporate, and government entities partner to help individuals and families save and build wealth. Through information, advice, and encouragement, the initiative assists those who wish to pay down debt, build an emergency fund, or save for a home, an education, or retirement. These efforts can be targeted to EITC recipients who may feel – perhaps for the first time – that they are in the position to start saving.

► Cleveland, Ohio

Mayor Jane Campbell of Cleveland, Ohio, has been instrumental in promoting savings through free tax preparation and has declared that the City of Cleveland is a “Wealth Building City.” As part of the Cleveland Economic Opportunity Coalition (CEOC), which coordinates EITC outreach throughout the community, the city sponsored a Super Saturday VITA event at the Cleveland City Hall Rotunda in an effort to draw in large numbers of taxpayers to a centralized location. Cleveland Saves, a local organization that helps low-income individuals achieve financial security, was on-site to offer financial counseling and seminars.

Individual Development Accounts

A growing number of communities across the country are taking savings programs to the next level by offering low- to moderate-income families incentives to save. Individual Development Accounts (IDAs) are specifically designed to give direct incentives to low-income families to save. IDAs are matched savings accounts that usually have three permissible uses: paying for post-secondary education, purchasing a home, or starting a business. In some cases, IDAs can be used to purchase a car or a home computer. While program designs vary, most require participants to meet certain income eligibility criteria and agree to regular savings goals to participate. The accounts encourage families to save by providing a direct match, often funded by both public and private funds, to participant contributions.

Most IDA programs not only provide matched savings but also offer financial literacy classes, mentors, program staff support, and account management. Programs can be expensive to operate and usually require a rather large administrative investment. Many cities across the country have partnered with existing community-based organizations that operate IDA programs to conduct outreach to eligible participants and build public support. There are many local IDA programs currently in operation and twenty-three states have passed legislation to create state-level IDA programs.

Offering Homeownership Counseling and Incentives²⁷

Supportive homeownership policies and programs can help move low- and moderate-income families further along the continuum toward economic security. Often, lower income families can afford reasonable monthly mortgage payments for a home but they are unable to accumulate the savings needed to make the initial down payment and closing costs. Many cities offer assistance to income-eligible families as well as first-time homebuyers. Assistance could include homeownership counseling, direct lending for homeownership, or direct grants for down payments.

Municipal housing support programs may also include programs to provide affordable housing options for teachers, police officers, firefighters, or other similar public servants.

Promoting, supporting, and expanding existing programs, as well as linking EITC recipients to homeownership opportunities, can pay dividends in building quality neighborhoods and boosting families' economic stability.

Through key partnerships, access to information, and targeted programs, cities can help low-income families convert their annual EITC refund into a springboard for greater financial success.

²⁷ Source: The Annie E. Casey Foundation.

► Building Assets: Key Roles for City Officials

Build city-wide partnerships that support wealth-building among low-income families

Utilize the media to disseminate messages about asset building opportunities

Support existing programs and offer assistance to boost organizations' efforts

Sponsor legislation to combat predatory lending practices

Launch a city-wide savings program

Convene financial institutions and request that they offer free or low-cost accounts for eligible families

► City Best Advice

Consider appointing an asset-building coordinator to each tax preparation site

Offer on-site products and services as well as referrals

Consider locating tax sites in financial institutions

Contact or visit asset building programs that work

Consider cost and capacity

Partner with, and leverage support from, community groups that are familiar with asset building



APPENDIX A :

Resources and Technical Assistance

In addition to this toolkit, NLC's Institute for Youth, Education, and Families offers individual consultation and a free action kit for municipal leaders, entitled *Helping Working Families*, which focuses on outreach to promote the EITC and other benefits. Through the National EITC Outreach Partnership, NLC is also working with various national groups to promote EITC outreach. These efforts can assist local leaders in connecting to local

organizations interested in partnering in an EITC outreach campaign. For more information on launching an EITC campaign in your community, contact either Julie Bosland, Program Director for Early Childhood and Family Economic Success at 202-626-3069 or bosland@nlc.org or Abby Hughes Holsclaw, Senior Program Associate for Family Economic Success, at: 202-626-3107 or holsclaw@nlc.org.

Additional General Contacts

Annie E. Casey Foundation – The Casey Foundation supports a national EITC outreach campaign entitled “Earn It! Keep It! Save It!” and specifically supports 28 cities located across the country. For more information about the campaign and Casey’s site, visit: www.eitc.info.

The Brookings Institution – Brookings has several publications highlighting EITC data in metropolitan areas and exploring the impact of the EITC and rapid refund loans. To view Brookings’ publications visit: www.brook.edu/es/urban/eitc.htm or contact Alan Berube at aberube@brookings.edu.

Center on Budget and Policy Priorities – The Center offers a free tool kit: Make Tax Time Pay! This kit includes a wealth of information on the EITC and Child Tax Credit, outreach strategies, and campaign materials (available in multiple languages). To obtain a copy of the kit visit www.cbpp.org or contact John Wanchek at wanchek@cbpp.org or 202-408-1080.

Internal Revenue Service, Stakeholder Partnership Education & Communication Division (SPEC) – IRS territory managers are located across the country. To locate the appropriate IRS staff for your area, see Appendix B or email Donald.dill@irs.gov. IRS staff may be able to assist with free tax software for tax preparation sites and free training for volunteers. However, it is important to note that agency resources vary across the country. For more information, see: www.irs-eitc.info/SPEC.

National Community Tax Coalition – The Coalition hosts an informational web site at: www.tax-coalition.org which includes background information on the EITC, downloadable templates

and resources to assist with starting an EITC campaign, and links to advocacy efforts. For more information on the Coalition, contact Julie Kruse at jkruse@centerforprogress.org or 312-630-0254.

National EITC Outreach Partnership (NEOP) – This partnership includes national membership organizations that are encouraging their members to lead EITC outreach, free tax preparation, and asset development initiatives. The NEOP website contains links to various organizations that may provide tailored messages for a variety of local stakeholders (e.g. businesses, volunteer organizations, United Ways, etc.). See: <http://www.centeronbudget.org/eitc-partnership/>.

Outreach & Free Tax Preparation Contacts

American Association of Retired Persons (AARP) – AARP offers free, quality tax preparation services to people of all ages with moderate and low income, with special attention to those ages 60 and older. AARP Tax-Aide may be able to assist in starting or strengthening free tax sites. For more information, contact Fran Brenneman, National Partnerships and Communications Coordinator at 800-424-AARP (2277) x6001 or fbrenneman@aarp.org.

Annie E. Casey Foundation – The Annie E. Casey Foundation offers a collection of EITC campaign materials that includes a campaign toolkit, logos, flyers, posters, and samples of public service announcements. Visit www.eitc.info for more information on how to request materials.

Brookings Institution: “*The Price of Paying Taxes: How Tax Preparation and Refund Loan Fees Erode the Benefits of the EITC*,” provides tips for conducting outreach and linking workers with free tax

preparation services. The report is available online at: www.brookings.edu/dybdocroot/es/urban/publications/berubekimeitc.pdf.

Center on Budget and Policy Priorities – The Center offers a free outreach kit: Make Tax Time Pay! This kit includes a wealth of information on the EITC and Child Tax Credit, outreach strategies, and campaign materials (available in multiple languages). The kit is available online at www.cbpp.org/eic2004/index.html or available by contacting John Wancheck at wancheck@cbpp.org.

City of Chicago, Illinois – The city designed a free kit entitled “Mayor Daley’s Earned Income Tax Credit Outreach Initiative” that includes template letters, press releases, and advice. To learn more about Chicago’s effort contact Myer Blank, Executive Director of the Chicago Tax Assistance Center, at mblank@cityofchicago.org.

Community Action Project of Tulsa County (CAPTC) – CAPTC provides free tax preparation assistance each year to tens of thousands of Tulsans. The organization, supported by the City of Tulsa, has become an expert at reaching EITC eligible residents and reaching out to potential volunteers. For more information, contact Steven Dow, Executive Director, Community Action Project of Tulsa County at sdow@captc.org.

Corporate Voices for Working Families — Corporate Voices is a non-partisan, non-profit corporate membership organization created to bring the private sector voice into the public dialogue on issues affecting working families. They offer an EITC Toolkit for employers entitled: *Employers Supporting Working Families*. The kit offers a guide to help businesses promote the credit and provides a variety of templates to download and customize. The kit is available online at www.cvworkingfamilies.org/toolkits/eitc/index.html or by contacting Lynn Mitchell at lmitchell@cvworkingfamilies.org.

I-CAN! EIC™ – If a campaign is interested in using I-CAN! EIC™ to promote self-preparation, visit www.icanefile.org/programs and click “Become a Partner”. Partnering requires communities to register online in order to receive I-CAN! EIC™ updates and requires coalitions to sign a partnership agreement. The agreement outlines the usage rules and information related to the use of the tool. Organizations cannot charge clients to the use the tool and must agree to certain liabilities outlined in the agreement. The partnership also gives coalitions access to various resources and tools such as sample brochures and flyers, public service announcements. For more information on this on-line tax assistance program, contact Gabrielle Hammond, National Technology Assistance Project, Legal Aid Society of Orange County, by phone at 310-319-2084 or by email at Gabrielle@gabriellehammond.com.

Internal Revenue Service – The IRS offers:

- ◆ a VITA Coordinator Manual available at www.eitc.info/resources/materials.asp
- ◆ a toolkit entitled *How to Develop a Community-Based Partnership* available by emailing Janie Neal at Janie.neal@irs.gov
- ◆ a Volunteer Coordinator Handbook available at: <http://www.irs.gov/pub/irs-pdf/p1084.pdf>
- ◆ information on the Volunteer Protection Act of 1997 available at http://www.eitc.info/resources/misc/volunteer_protection.htm.

For more information on IRS materials, contact Donald Dill at Donald.dill@irs.gov.

Organizations may find out how to apply to become an Acceptance Agent for ITIN applications by calling Sharon Bradley with the IRS ITIN Program Office at: 404-338-7085 or sharon.bradley@irs.gov.

National Community Tax Coalition – The Coalition’s web site at: www.tax-coalition.org includes information on outreach to eligible EITC filers, potential volunteers, and the media. The site offers template flyers and sample press kits and conference releases. The site also offers advice on tax site set up and job descriptions for site volunteers and staff. For more information, contact Jackie Lynn Coleman, Outreach Coordinator, Center for Economic Progress, JLColeman@centerforprogress.org.

National Immigration Law Center (NILC) – NILC offers multilingual versions of EITC outreach flyers. NILC also provides more guidance on ITINs in its fact sheet “Immigrants and the Individual Tax Identification Number (ITIN): How Can the ITIN Be Used to Show Identity?” For flyers or the fact sheet, contact Marielena Hincapie at hincapie@nilc.org.

Points of Light Foundation & Volunteer Center National Network – Points of Light is a great resource for strategies around volunteer recruitment. They offer a community engagement brochure and advice on volunteer roles and recruitment at www.pointsoflight.org/programs/eitc/default.cfm.

United Way of America (UWA) – UWA is committed to advancing the role of the United Way system in EITC and asset building initiatives across the country. The organization recently began a project to increase the number of United Ways who engage in community-based EITC campaigns and who link EITC to asset development strategies. UWA produced a report for its members and their partners that highlights the role of the United Way in local EITC campaigns called *Exploring United Way Engagement in EITC Campaigns*. The report is available on UWA’s website at: <http://national.unitedway.org/eitc> For more information, contact: Emily DeMaria at Emily.DeMaria@uwa.unitedway.org.

Connecting Families to Benefits Beyond EITC

Overall Resources

- ◆ NLC’s *Helping Working Families* action kit for municipal leaders covers outreach to promote Medicaid, SCHIP, and food stamps. It can be found at: www.nlc.org/nlc_org/site/files/reports/workingfamilies.pdf.
- ◆ The National Community Tax Coalition offers profiles of five communities linking free tax preparation with outreach and enrollment for other work supports: <http://www.tax-coalition.org/Library/Benefits/index.htm>.

Nutritional Supports

- ◆ The Food Research and Action Center: www.frac.org (Contact Ellen Vollinger evollinger@frac.org or 202-986-2200 x3016).
- ◆ U.S. Department of Agriculture: <http://www.fns.usda.gov/fns/>.

Free and Low-Cost Health Insurance

- ◆ Covering Kids and Families: <http://coveringkidsandfamilies.org/>.
- ◆ Center on Budget and Policy Priorities/Start Healthy, Stay Healthy: <http://www.cbpp.org/shsh/>.
- ◆ U.S. Department of Health and Human Services/Insure Kids Now: <http://www.insurekidsnow.gov/>.

Multi-Benefit Screening Technology

- ◆ Community Catalyst/Real Benefits:
<http://www.realbenefits.org/>.
- ◆ SeedCo Inc./Earn Benefits:
<http://www.earnbenefits.org>.
- ◆ Solutions for Progress/Benefit Bank:
<http://www.solfopro.com/sfp/Projects/thebenefitbank.htm>.
- ◆ Peter Martin and Associates/HelpWorks:
<http://www.petermartin.com/helpworks.htm>.
- ◆ USDA Online Screening Tool (free, internet based screening tool, for food stamps only):
<http://209.48.219.49/fns/>.

Asset Building

Interested in starting an asset building program?
Consult:

- ◆ The National Community Tax Coalition resource page on Financial Education, Banking, and Asset-Building Programs Linked to Free Tax Preparation Programs:
<http://www.tax-coalition.org/financedu.htm>.

Financial Literacy

- ◆ Federal Trade Commission:
<http://www.ftc.gov/bcp/menu-credit.htm>.
- ◆ National Consumer Law Center's Guide to Consumer Rights for Immigrants:
www.consumerlaw.org/publications/guides/immigrant_consumer_rights.shtml.

- ◆ Federal Deposit Insurance Corporation: Information for the "Money Smart" Financial Literacy Curriculum:
<http://www.fdic.gov/consumers/consumer/moneysmart/index.html>.
- ◆ National Endowment for Financial Education:
www.nefe.org.
- ◆ Woodstock Institute: www.woodstockinst.org/.
- ◆ The Credit Union National Association:
http://buy.cuna.org/static/cpf_answers.html.

Banking the Unbanked

- ◆ Credit Union National Association:
<http://www.cuna.org>.
- ◆ U.S. Department of Treasury:
www.occ.treas.gov/cdd/Fall2000.pdf.
- ◆ The Federal Reserve:
www.federalreserve.gov/community.htm.

Debt & Credit Counseling

- ◆ Consumer Credit Counseling Service:
www.ccsintl.org.
- ◆ National Foundation for Credit Counseling:
www.nfcc.org.

Individual Development Accounts

- ◆ CFED: www.cfed.org.
- ◆ IDA Network: www.idanetwork.org.



A P P E N D I X B :

Contacting Your IRS Territory Manager

For help with issues related to Earned Income Tax Credit education and outreach and/or Volunteer Income Tax Assistance (VITA) sites in your area, please contact your local SPEC Territory Manager. The Territory Managers, or their staff, can help answer your questions and advise you on issues related to EITC outreach efforts, VITA site operations, training of volunteers, and more.

Some SPEC Territory offices cover more than one state. The Territory Manager for your state may be headquartered elsewhere, but he or she does supervise the program in your area. The Territory Manager's office can connect you to IRS staff, EITC outreach materials, VITA trainings or VITA site supervisors in your state, and can help plan future efforts.

Note: These numbers should not be given to individual taxpayers to call for personal tax help. These offices organize the VITA program. Have taxpayers call 1-800-829-1040 for individual tax help.

STATE	CITY	TERRITORY MANAGER	PHONE	E-MAIL
Alabama		Jim Brush	205-912-5491	Jim.Brush@irs.gov
Alaska		Bob Thomas	206-220-5554	Rob.Thomas@irs.gov
Arizona		Patrick Reidy	602-207-8684	Patrick.G.Reidy@irs.gov
Arkansas		Jan Pretus	504-558-3204	Jan.Pretus@irs.gov
California	Los Angeles	Liz Elguea-Keating	213-579-4095	Liz.Elguea-keating@irs.gov
	Oakland	Carlos Zepeda	510-637-2365	Carlos.Zepeda@irs.gov
	Sacramento	Bob Meyer	916-974-5471	Bob.Meyer@irs.gov
	San Diego	Elizabeth Fuchs	760-471-5945 x382	Elizabeth.A.Fuchs@irs.gov
	San Jose	Stella Lee	408-817-6554	Stella.Lee@irs.gov
Colorado		Bill Banowsky	303-446-1421	Bill.R.Banowsky@irs.gov
Connecticut		Jodonna Powell	860-756-4660	Jodonna.G.Powell@irs.gov
Delaware		Ines Almendarez	215-861-1567	Ines.Almendarez@irs.gov
District of Columbia		Debbie Harris	202-927-9298	Deborah.B.Harris@irs.gov
Florida	Jacksonville	Linda Franke	904-665-0529	Linda.G.Franke@irs.gov
	Miami	Ron Albert	954-423-7770	Ronald.W.Albert@irs.gov
	Tampa	Karen Van Fossan	727-570-5591 x450	Karen.VanFossan@irs.gov
Georgia		John Stubbs	404-338-8867	John.M.Stubbs@irs.gov
Hawaii		Bob Thomas	206-220-5554	Rob.Thomas@irs.gov
Idaho		Barbara Sowder	503-326-2084	Barbara.R.Sowder@irs.gov
Illinois		Pat Kirk	312-566-2201	Patricia.K.Kirk@irs.gov
Indiana		Ken Williams	317-226-5532	Kenneth.L.Williams@irs.gov
Iowa		Douglas Bauman	402-221-3619	Douglas.A.Bauman@irs.gov
Kansas	Wichita	Karen O'Neill	405-297-4026	Karen.L.Oneill@irs.gov
	Kansas City	Jim Haskell	816-966-2301	James.L.Haskell@irs.gov
Kentucky		Vickie Fairley	513-263-5658	Vickie.D.Fairley@irs.gov
Louisiana		Jan Pretus	504-558-3204	Jan.Pretus@irs.gov
Maine		Bill Smits	617-316-2145	William.C.Smits@irs.gov
Maryland		Debbie Harris	202-927-9298	Deborah.B.Harris@irs.gov
Massachusetts		Bill Smits	617-316-2145	William.C.Smits@irs.gov
Michigan		Ramondo Gee	313-628-3700	Ramando.Gee@irs.gov
Minnesota		Gary Stadsklev	651-312-7631	Gary.A.Stadsklev@irs.gov

STATE	CITY	TERRITORY MANAGER	PHONE	E-MAIL
Mississippi		Jim Brush	205-912-5491	Jim.Brush@irs.gov
Missouri		Jim Haskell	816-966-2301	James.L.Haskell@irs.gov
Montana		Bill Banowsky	303-446-1421	Bill.R.Banowsky@irs.gov
Nebraska		Douglas Bauman	402-221-3619	Douglas.A.Bauman@irs.gov
Nevada		Diana Waddell	702-455-1067	Diana.L.Waddell@irs.gov
New Hampshire		Bill Smits	617-316-2145	William.C.Smits@irs.gov
New Jersey		Charlotte Wiley	973-645-4584	Charlotte.V.Wiley@irs.gov
New Mexico		Patrick Reidy	602-207-8684	Patrick.G.Reidy@irs.gov
New York	Albany	Peter Stevens	518-427-4109	Peter.J.Stevens@irs.gov
	Buffalo	Peter Stevens	518-427-4109	Peter.J.Stevens@irs.gov
	New York City	Michael McCormick	212-436-1031	Michael.J.McCormick@irs.gov
North Carolina	Charlotte	Richard Schoeller	704-566-5223	Richard.Schoeller@irs.gov
	Greensboro	Nancy Richman	336-378-2282	Nancy.Richman@irs.gov
North Dakota		Gary Stadskev	651-312-7631	Gary.A.Stadskev@irs.gov
Ohio	Cincinnati	Vickie Fairley	513-263-5658	Vickie.D.Fairley@irs.gov
	Columbus	Sandra Trigg	614-280-8659	Sandra.Trigg@irs.gov
	Cleveland	Sandra Trigg	614-280-8659	Sandra.Trigg@irs.gov
Oklahoma		Karen O'Neill	405-297-4026	Karen.L.Oneill@irs.gov
Oregon		Barbara Sowder	503-326-2084	Barbara.R.Sowder@irs.gov
Pennsylvania	Philadelphia	Ines Almendarez	215-861-1567	Ines.Almendarez@irs.gov
	Pittsburgh	Jim Daugherty	412-395-4534	James.K.Daugherty@irs.gov
Rhode Island		Jodonna Powell	860-756-4660	Jodonna.G.Powell@irs.gov
South Carolina		Richard Schoeller	704-566-5223	Richard.Schoeller@irs.gov
South Dakota		Gary Stadskev	651-312-7631	Gary.A.Stadskev@irs.gov
Tennessee		David Killough	615-250-5335	David.Killough@irs.gov
Texas	Austin	Bill Hubbard	512-499-5477	Bill.D.Hubbard@irs.gov
	Dallas	John Agee	214-413-6029	John.E.Agee@irs.gov
	El Paso	Ricardo Soto	915-834-6512	Ricardo.Soto2@irs.gov
	Houston	Becky Wheatley	281-721-7070	Rebecca.Wheatley@irs.gov
Utah		Diana Waddell	702-455-1067	Diana.L.Waddell@irs.gov
Vermont		Bill Smits	617-316-2145	William.C.Smits@irs.gov

STATE	CITY	TERRITORY MANAGER	PHONE	E-MAIL
Virginia		Nancy Lynch	804-916-8730	Nancy.W.Lynch@irs.gov
Washington		Bob Thomas	206-220-5554	Rob.Thomas@irs.gov
West Virginia		Jim Daugherty	412-395-4534	James.K.Daugherty@irs.gov
Wisconsin		Julie Nunlist	414-297-1676	Julie.F.Nunlist@irs.gov
Wyoming		Bill Banowsky	303-446-1421	Bill.R.Banowsky@irs.gov
Puerto Rico		Ron Albert	954-423-7770	Ronald.W.Albert@irs.gov

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