

Engaging Elected Officials

Georgia State EITC Conference

June 28-30, 2010

Jackie Lynn Coleman, Senior Director, NCTC



Parent Organization:



CENTER FOR

EconomicProgress

Working Solutions for Working Families



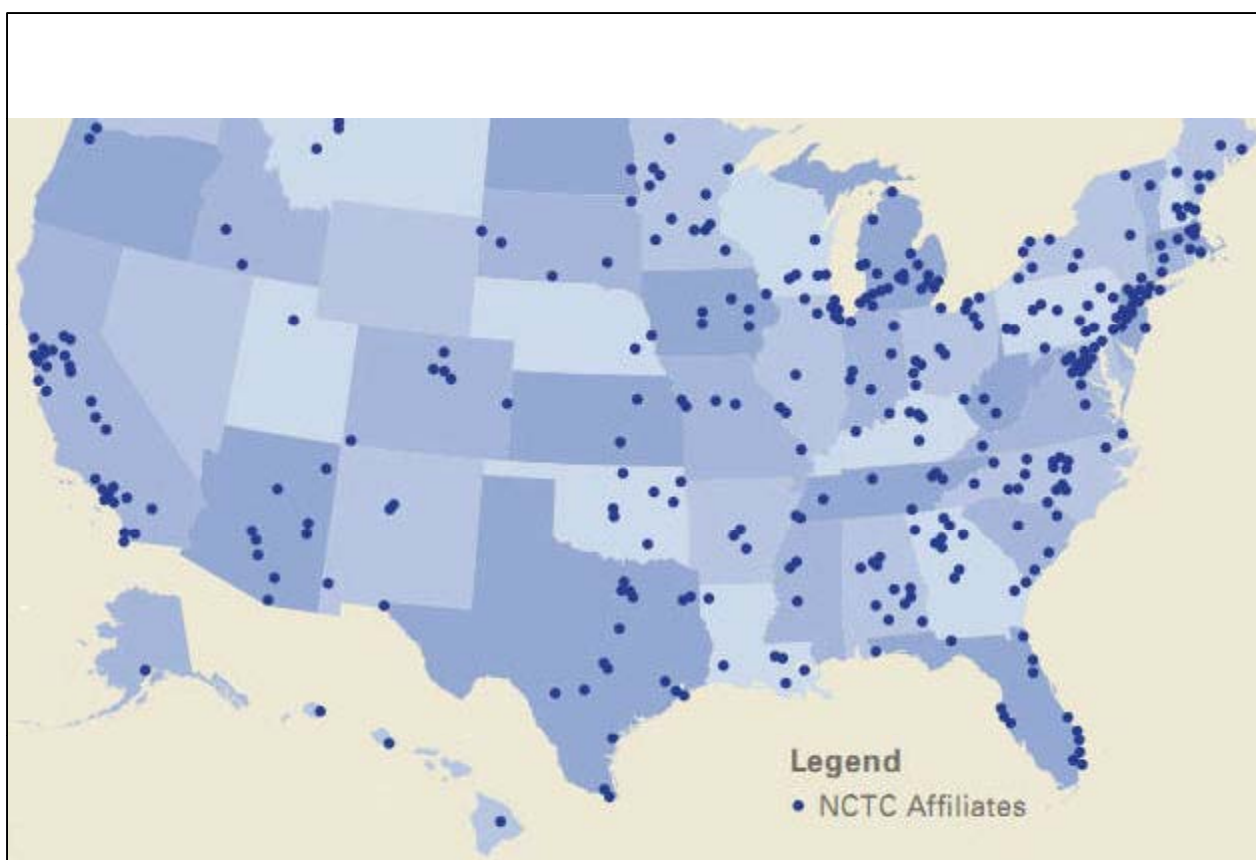
National Community Tax Coalition

MISSION

NCTC is a national network dedicated to strengthening economies, building communities and improving lives through tax assistance and asset building activities that produce financial security, protect families and promote economic justice. (adopted June 18, 2010)

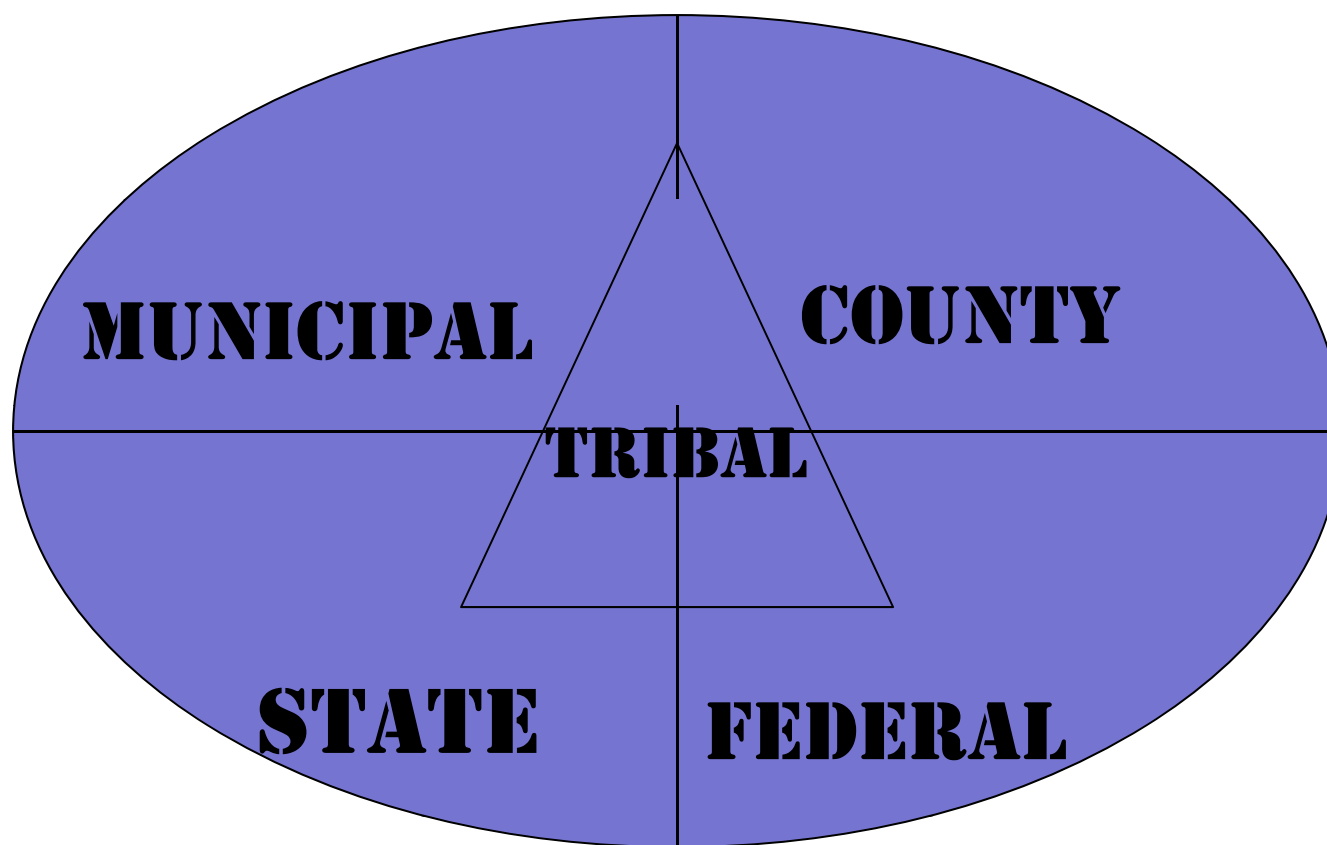


The National Community Tax Coalition (NCTC) is a vast and vibrant network of over 700 affiliate organization representing the community tax preparation and asset building field.





Elected/Appointed Officials?





Why Elected Officials?

- I. Champion for your campaign, community and constituents
- II. Increase public exposure for your campaign
- III. Validates your efforts
- IV. Partnership working for the same or similar cause
- V. Increase Resource & Funding Opportunities

VI. It takes a Village!



Elected Officials Contributions

- Press Conferences – Media Follows
- Outreach – Get the message out !
- Marketing Materials
- Channel to public & private agencies
- Funding opportunities
- Promotion of Bank on Campaigns
- Support advocacy efforts



Elected Officials Involvement

- **Chicago, IL** – Mayor Richard M. Daley
- **Itta Bena, MS** – Mayor Thelma Collins
- **Ohio** – U.S. Senator Sherrod Brown
- **Caddo Parrish, LA** – Commissioner Lindora Baker –District 6
- **New Mexico** - U.S. Senator Bingaman
- **San Francisco, CA** – Jose Cisneros



**National Conference 2011
Chicago, IL
June 6-10, 2011
SAVE THE DATE!**



Learn how to get your elected officials involved:

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Parent Organization:



Engaging Your Elected Officials in EITC Outreach

A GUIDE FOR ADVOCATES AND COMMUNITY TAX ASSISTANCE SITES



The Earned Income Tax Credit and the Volunteer Income Tax Assistance Program

HOW ELECTED OFFICIALS CAN GET INVOLVED IN OUTREACH





Connecting Advocates and Elected Officials on EITC and VITA Program Outreach


Project Goals:


- To help advocates work together with their federal, state and local elected officials in order to support and strengthen the EITC and community VITA programs.
 - To provide advocates and elected officials with advice on how to easily and effectively get involved in EITC and VITA outreach, including templates, examples and media tips.
 - To make your jobs easier!
-


Advocates Toolkit

Engaging Your
Elected Officials
in EITC Outreach

A GUIDE FOR ADVOCATES
AND COMMUNITY TAX
ASSISTANCE SITES



 NATIONAL COMMUNITY
TAX COALITION

 The
Hatcher
Group
Connecting Nonprofit Organizations
to Policymakers and the Media

Chapter 1

EITC BACKGROUND AND DOCUMENTS

- About the Federal EITC
- About State EITCs
- About the Volunteer Income Tax Assistance Program
- EITC Q&A

A. Federal EITC Fact Sheet

B. State EITC Fact Sheet

C. Volunteer Income Tax Assistance Fact Sheet

D. EITC Q & A

Advocates Ch. 1: Federal & State EITC Fact Sheets

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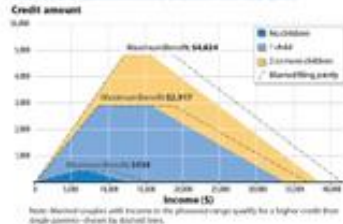
ABOUT THE FEDERAL EARNED INCOME TAX CREDIT

EITC BACKGROUND AND DOCUMENTS

The Earned Income Tax Credit (EITC) is a federal tax credit for low-income working individuals and families. It is intended to reduce the tax burden on low-income workers, supplement their wages, and help families make ends meet. Even workers whose income is too small to pay taxes can receive a refund through the EITC. In tax year 2006, the EITC provided \$43.7 billion in reduced or eliminated tax liability and cash refunds to more than 22 million low-income families.

The EITC is one of the most successful federal anti-poverty programs ever developed. The impact of the EITC on a working family's income can be considerable. For example, in 2009, a single parent raising two or more children and earning between \$12,050 and \$18,750 is eligible for the maximum EITC of \$4,824—a full 25 to 40 percent increase in the family's income. Taxpayers with one child can claim a maximum EITC of \$2,917. Claiming the Child Tax Credit in addition can provide up to \$1,000 per child to eligible families.

The Federal Earned Income Credit in Tax Year 2008



Who is eligible?

Working families with children that have annual incomes below approximately \$34,000 to \$41,000 (depending on marital status and the number of children in the family) are eligible for the EITC. Also, low-income workers without children who have incomes below approximately \$13,000 (\$16,000 for a married couple) can receive a very small EITC.¹

More than four million people – roughly half of them children – escape poverty each year as a result of the EITC. A study by The Brookings Institution found the EITC reduces poverty among young children by nearly one-fourth.²

The EITC significantly increases the number of single parents who join the workforce. One study found the proportion of single mothers who worked increased dramatically between 1984 and 1996 due to legislative increases in federal EITC benefits.³

¹ "Eligibility description and chart provided by Center on Budget and Policy Priorities, "Policy Basics: The Earned Income Tax Credit" (<http://www.cbpp.org/crns/index.cfm?fa=view&id=2505>)
² Sawhill, I. & Thomas, A. (2007). "A hand up for the bottom third: Toward a new agenda for low-income working families." Washington, DC: The Brookings Institution.
³ Meyer, B. D. & Rosenbaum, D. T. (2001). Wages, the Earned Income Tax Credit, and the labor supply of single mothers. *Quarterly Journal of Economics*, 116(3), pp. 1063–1114.

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ABOUT STATE EARNED INCOME TAX CREDITS

EITC BACKGROUND AND DOCUMENTS

Twenty-four states (counting the District of Columbia) have created a state version of the Earned Income Tax Credit (EITC) to reduce the tax burden on low- and moderate-income working families. The state EITC supplements the federal credit and works as a rebate for state taxes paid by low-income working people. In addition, local governments in Montgomery County, Md., San Francisco and New York City offer their own version of EITCs.

Twenty-four States Have Enacted EITCs, June 2009



Map provided by the Center on Budget and Policy Priorities

Almost all state EITCs are "refundable," meaning that if the size of the family's credit exceeds the amount of state income tax it owes, the family receives the difference in the form of a refund check.

States with EITCs use the same eligibility rules as the federal EITC, meaning only people who work can qualify for the credit. To simplify the process for states, most states typically use a fixed percentage of the federal credit to calculate the state

credit. State credits range from 3.5 percent of the federal credit to 40 percent of the federal credit.

The first state EITCs were enacted in the 1980s and a few states picked up the policy in the 1990s. But in recent years, state EITCs have become increasingly popular with eight states enacting a state-level EITC and 11 states expanding existing credits since 2002. A number of factors contribute to the increased interest in adopting state EITC:

- CONTINUED CHILD POVERTY AND ECONOMIC HARDSHIP**
 Millions of children in working families live in poverty, and millions of families with incomes modestly above the poverty line have difficulty affording food, housing and other necessities. The federal EITC now lifts about 4.4 million people – over half of them children – out of poverty each year, making it the nation's most effective antipoverty program for working families. State EITCs supplement the federal credit, lifting more families out of poverty and helping near-poor families make ends meet.
- SLOW WAGE GROWTH**
 Wage and salary growth has been weak in recent years. Concern about low wages has led a number of states and the federal government to raise their minimum wages, but even

Advocates Ch. 1: VITA Fact Sheet and EITC Q & A

ABOUT THE VOLUNTEER INCOME TAX ASSISTANCE PROGRAM

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BUILDING FINANCIAL SECURITY FOR LOW-INCOME FAMILIES

Community Volunteer Income Tax Assistance (VITA) programs offer free tax help and related financial services to low-income individuals and families. During the 2009 filing season, VITA programs directly served more than one million underserved taxpayers, including low-wage workers, persons with disabilities, the elderly, Native Americans, rural populations, and those with limited English language skills. VITA clients often have the opportunity to open bank accounts and to invest their refunds in safe financial products such as U.S. Savings Bonds, while avoiding the high fees charged by paid preparers and refund anticipation loans (RALs).

Due to high unemployment rates, reduced wages and scaled-back hours, many additional workers will qualify for VITA services over the next two years. For families living on tight budgets, it is now more important than ever to have access to free tax services and the opportunity to take advantage of the new tax benefits enacted as part of the American Recovery and Reinvestment Act.⁷ At a time when VITA programs are poised to ramp up services, sources of local funding have started to dry up. State and local governments are cutting back, while private foundations are beginning to limit grant-making.

Funding from state and local governments, private foundations and individual donors in combination with in-kind contributions from volunteers and community organizations enabled VITA programs to dramatically increase the number of returns prepared over the past five years. Many VITA programs are firmly established in their communities, but struggle to balance the need to meet growing demand with the desire to reach underserved populations where there are no VITA sites or other alternatives to paid preparers. The 2008 Consolidated Appropriations Act⁸ created an \$8 million competitive matching grant program to enable grant recipients to assist underserved populations living and working in hard-to-reach rural, Native, urban and suburban communities.

Congress can help VITA programs meet the tax and financial service needs of underserved communities by continuing to increase the appropriation for the VITA Grant Program. Additional funding, beyond the original \$8 million appropriation, would make it possible for VITA programs to effectively serve and reach more working families hit hard by the recession.

THE IMPACT OF COMMUNITY VITA

Community VITA programs are well worth the additional investment. For underserved workers, the program offers free tax preparation and serves as a gateway to mainstream financial services. To the volunteers who dedicate tens of thousands of hours during tax season, VITA

⁷ Pub. L. 111-5, Sep. 30, 2009.

⁸ Pub. L. 110-161, Dec. 26, 2007 (121 Stat. 1875).

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EITC Q & A

BASIC FACTS ABOUT THE EITC:

Q. What is the Earned Income Tax Credit?

A. The Earned Income Tax Credit (EITC) is a federal tax credit for low-income working individuals and families. It is intended to reduce the tax burden on low-income workers, supplement their wages and help families make ends meet. Even workers whose income is too small to pay taxes can receive a refund through the EITC. In tax year 2006, the EITC provided \$43.7 billion in reduced or eliminated tax liability and cash refunds to 22.4 million low-income families.

Q. What does it mean to be a refundable tax credit?

A. This means that the family gets a refund (check even when the credit is greater than the amount they owe in taxes. Due to the refundable nature of the EITC, it has become the largest federal income support program for low-income working families.

Q. Who qualifies for the EITC?

A. Working families with children that have annual incomes below approximately \$14,000 to \$41,000 (depending on marital status and the number of children in the family) generally are eligible for the EITC. Also, poor workers without children who have incomes below approximately \$13,000 (\$16,000 for a married couple) can receive a very small EITC.

Q. How do people claim the EITC?

A. To claim the EITC, you must file a tax return. Families making below \$42,000 can get their taxes done for free at a Volunteer Income Tax Assistance (VITA) site. These trained volunteers can help families complete their taxes and ensure they claim valuable credits including the EITC and the Child Tax Credit. You can find a VITA site by calling the IRS toll-free number at 1-800-906-9887 or visiting the National Community Tax Coalition website at www.tax-coalition.org.

MISCONCEPTIONS ABOUT THE EITC:

Q. Isn't the EITC just welfare?

A. No, the EITC is not welfare. You must work to claim the EITC. The refundable nature of the EITC is what makes it such a powerful tool to help hard-working families keep more of their hard-earned dollars. Each year EITC refunds lift more than 4.4 million people – roughly half of them children – out of poverty. The families who would receive a refund do pay taxes.

EITC BACKGROUND AND DOCUMENTS

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Chapter 2

ENGAGING YOUR ELECTED OFFICIALS

- A Toolbox of Ideas
- Tips for Working with the Media
- EITC Template Sign-On Letter
- Sample State Postcard Campaign
- Sample Public Service Announcement Script
- Sample Site Visit Invitation Letter
- Press Conference and Site Visit: Sample Agenda
- Press Conference and Site Visit: Planning Timeline
- Template Media Advisory
- Template Press Release
- Next Steps

A. Toolbox of Ideas

B. Media Tips

C. Sign-On Letter

D. Postcard Campaign

E. PSA Script

F. Site Visit Invite Letter

G. Site Visit Agenda

H. Site Visit Timeline

I. Media Advisory

J. Press Release

K. Next Steps

Advocates Ch. 2: Toolbox of Ideas and Media Tips

ENGAGING YOUR ELECTED OFFICIALS: A TOOLBOX OF IDEAS

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Working with your elected official – whether it is a member of Congress, city council member, governor, or state representative – is one of the best ways to raise awareness of the importance of the Earned Income Tax Credit (EITC) and Volunteer Income Tax Assistance (VITA) sites.

The federal EITC has a long history of bipartisan political support, but in today's tough economic climate, it is important to continuously build support for the program. The more elected officials see firsthand the difference the EITC can make in people's lives, the more likely they are to support program improvements and to stand by the program during budget cuts.

At the state level, currently about half have a state EITC. Involving local and state officials at the very beginning of an EITC campaign can improve the chances of seeing a strong state EITC enacted.

Finally, without VITA sites, many low-income people wouldn't have access to needed tax assistance and wouldn't learn about the important tax credits for which they're eligible. But these sites require funding, which is another area where political support is needed.

So how can you get your elected official on board?

The following are a range of activities that can be easily tailored to fit your state's needs.

I. PLAN A SITE VISIT

There is no better way to build lasting support for VITA sites and the EITC than by putting a human face on the programs. Reach out to your elected official and invite them for a site visit. They could attend the VITA site launch, which would also help draw media attention and further raise the visibility of tax assistance sites. Alternatively, an elected official could come any time during tax season.

A site visit will give an elected official the opportunity to talk with families that have come for tax assistance and to learn more about how much the program is helping them. It's especially effective if an official is able to sit down with a family and help them file their taxes. Many families will learn for the first time that they're eligible for a large rebate through the EITC – something they might not have known to apply for before coming to a VITA site.

When inviting a member of Congress, it's especially important to plan in advance. Contact the scheduler, who will most likely be in a district office. Most of the time, they will request a written invitation with all details. It is also helpful to extend the invitation to the legislative assis-

ENGAGING YOUR ELECTED OFFICIALS

TIPS FOR WORKING WITH THE MEDIA

The media plays an important role in getting the word out about the EITC and the availability of VITA sites. If your organization doesn't spend time on media outreach, now is the time to start. And if you already have good relationships with reporters in your state, build on these and continue to develop creative ideas for obtaining additional coverage.

Following are a number of ways you can reach out to the media, especially when working with elected officials.

- **START WITH A GOOD MEDIA LIST:** An up-to-date radio, television, print and blog media list is critical. Services such as Cision provide media databases, but they can be costly. Consider teaming up with other organizations to share the cost and the media list.

Alternatively, you can develop a media database through web research using Google, the news outlets' websites and old-fashioned phone calls to your local media to find the reporters who cover tax, economy and/or social issues.

- **PRESS CONFERENCE:** Hold a press conference at the opening of the tax season when your VITA site opens or at various times throughout the season, such as when you've processed a certain number of EITC returns or when a large number of people have used the VITA site. Invite elected officials to be part of the press conference, which can be a good news "hook" and help garner media coverage.

Another idea is to have the governor, mayor or other elected official proclaim an Earned Income Tax Credit Awareness Day. Here is a link showing examples of what states did in 2008 around EITC Day: <http://www.irs.gov/newsroom/article/0,,id-178972,00.html>

- **OPINION-EDITORIAL OR LETTER TO THE EDITOR:** An op-ed or letter to the editor is an excellent way to draw attention to VITA sites and the EITC. An op-ed should be a stand alone piece, ideally from a prominent member of your organization or the community. If you can have an elected official sign it or co-sign it, all the better.

A letter to the editor responds to an article in the paper and is typically much shorter in length than an op-ed. It's important to keep an eye out for articles that either need to be corrected or that you can add to and again draw attention to the importance of the EITC for low-income workers.

- **EDITORIAL BOARD MEETING:** Scheduling an editorial board meeting prior to the opening of a VITA site would be good timing. Ideally, the paper would then run an editorial just as the site is opening letting readers know about it. Contact your newspaper to find out which member of the editorial board covers these issues and the best way to schedule a meeting; many papers request a detailed letter.

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ENGAGING YOUR ELECTED OFFICIALS

Advocates Ch. 2: Sign-on Letter & Postcard Campaign

EITC TEMPLATE SIGN-ON LETTER

Dear Elected Official [xxx],

We come together as advocates, community leaders, policymakers, and business leaders to express our strong support for both the federal and state Earned Income Tax Credits (EITC).

In this time of economic uncertainty, it is more important than ever to support a program that has been consistently successful in helping low-income working families pull themselves out of poverty.

The Earned Income Tax Credit is a tax credit for low-income working individuals and families. The goal of the program is to reduce the tax burden on low-income workers and supplement their wages, allowing them to climb the economic ladder.

In tax year 2006, 22.4 million low-income families and individuals across the nation received EITC benefits totaling \$41.7 billion. These are families who are working hard, many at more than one job, but whose low wages are preventing them from climbing the economic ladder. The EITC can make the difference in making ends meet.

In addition to helping families, the EITC also helps the economy. EITC dollars are typically spent on necessities such as food, children's clothes, school supplies or housing. These dollars go directly back into the economy, helping to further stimulate our local communities.

[Include the following paragraph if your state has a state EITC]

In addition to the federal EITC, [State] has offered a state EITC since tax year [xxxx]. The state EITC works as a rebate for state taxes paid by low-income working people. During the 2009 filing season (tax year 2008), the state EITC was worth [sx] percent of the filer's federal credit. In [state], [####] families are eligible for the federal and state EITC, which is [sx] percent of our tax filers.

[Include the following paragraph if your state doesn't have a state EITC]

Eligible residents of our state receive the federal EITC but we are still in need of a state EITC. We urge state lawmakers to come together and make it a priority to enact a state EITC as soon as possible. In most states, the state EITC is worth a percentage of the federal program, ideally 20 percent.

Expansions to the Federal EITC

The federal EITC has improved the lives of low-income workers in [state] and across the country. It's an excellent program, but the following changes would benefit even more workers:

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ENGAGING YOUR ELECTED OFFICIALS

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SAMPLE STATE POSTCARD CAMPAIGN

Front:

Let your state legislator know!

How would you spend \$351?

If the West Virginia legislature was to create a state version of the Earned Income Tax Credit (EITC), it will put more money in the pockets of working West Virginians. If this legislation passes, you could be eligible for a state tax refund.

The average amount of the state EITC could be \$351. If you had an additional \$351 in your tax refund, how would you spend that money?

Back:

A State Earned Income Tax Credit Will...

- Let you keep more of your hard-earned salary
- Reduce the amount you owe in state income taxes and possibly give you a cash refund
- Help pay for childcare, transportation, food, rent and other necessities your family needs

For more information, visit www.wveitc.com.
Sponsored by the West Virginia Alliance for Sustainable Families.

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ENGAGING YOUR ELECTED OFFICIALS

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Advocates Ch. 2: PSA Script & Site Visit Invite Letter

SAMPLE PUBLIC SERVICE ANNOUNCEMENT SCRIPT

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Below is a sample PSA that can easily be customized for an elected official, the head of an organization or a community leader. There are a number of PSA's on the EITC, and free tax assistance that are posted to YouTube and can serve as additional examples.

SAMPLE PSA TEXT:

Hello, I'm Senator/ Representative/ Governor/ State Official _____.

Tax time is just around the corner. I want to make sure that eligible families in our community know that there's help out there when it comes to filing your taxes. For people making under \$42,000 a year, volunteer income tax assistance sites – often known as VITA sites – can help you file your taxes free of charge.

Even more importantly, these tax sites will make sure that you receive all of the tax credits for which you qualify. One very important credit is the Earned Income Tax Credit. The EITC helps working families keep more of the money they earn, making a big difference in the lives of millions of Americans each year. But to receive the EITC, you have to file your taxes.

Call the (Free Tax Campaign in your area) at XXX-XXX-XXXX to find a tax preparation site near you.

PUBLIC SERVICE ANNOUNCEMENTS ON YOUTUBE

Senator Dick Lugar:
<http://www.youtube.com/watch?v=X4OvcEYNOY>

State Senator Hansen Clarke:
<http://www.youtube.com/watch?v=gU4Hb82XZvk>

Ohio Treasurer Richard Cordray:
<http://www.youtube.com/watch?v=Znt-g2ohzMU>

ENGAGING YOUR ELECTED OFFICIALS

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SAMPLE LETTER INVITING A MEMBER OF CONGRESS TO A FREE TAX ASSISTANCE SITE VISIT

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(Date)
Senator/Representative
Congressional Office Address

Dear Senator/ Representative (Name):

As the (title) of (your Organization), which organizes and operates community income tax assistance centers for low- and moderate-income people throughout (city, state), I would like to invite you to attend our tax site launch for the 2010 tax season.

Our official tax assistance center launch will take place on (date, time) at (location.) Activities will include a press conference (if applicable) with invited community leaders including (names, if applicable). Following the press conference, our tax assistance site will be officially opened to the public and our highly qualified volunteer tax experts will begin assisting families with their tax returns. I would like to invite you to participate in the press conference, or simply tour the tax site and meet some of the families who we are serving.

At each of our community tax centers, volunteers help families and individuals with their tax returns and help them claim the Earned Income Tax Credit (EITC) and the Child Tax Credit, as well as other tax credits for which they are eligible. These important tax credits provide low- and moderate-income working families with a significant refund, allowing them to climb up the ladder and come closer to achieving the American Dream. Without these community volunteer tax assistance centers, many families don't know they're eligible for these important tax credits or are taken advantage of by high-cost tax preparation firms.

This year, (your Organization) will provide free tax preparation services to low- and moderate-income families at (##) of sites across the state. We're especially focused on educating families about the EITC, a refundable tax credit that encourages work instead of welfare and has received bipartisan praise over the past 35 years. Families who receive EITC refunds typically use the money to pay for necessities such as utility bills, car repairs, or school clothes for their kids. The EITC refunds not only helps workers care for their families, but also puts more money back into the local economy, further fostering economic development in our state and community.

The EITC credit averages refunds of \$1,930 per eligible taxpayer. In 2009, (your Organization) prepared (##) ** federal tax returns, helping more than (##) workers collectively receive \$ (##) in refunds. Furthermore, in 2008, the EITC brought a total of \$ (##) to (your congressional district/state) benefiting (##) families.

** See Chapter Four for Statistics.

ENGAGING YOUR ELECTED OFFICIALS

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Advocates Ch. 2: Site Visit Agenda and Timeline

PRESS CONFERENCE AND SITE VISIT: SAMPLE EVENT AGENDA

9:30 a.m.

Attendees begin to arrive.

Have a sign-in sheet with name, organization, e-mail address and phone number. This is a great way to build your database.

10:00 a.m.

Begin event.

The moderator (if using) will welcome everyone and introduce first speaker.

10:05 a.m.

First speaker: Ideally organization's director or tax site leader.

The speaker should again welcome everyone to their facility and speak about the importance of free tax assistance and the Earned Income Tax Credit to families and individuals in the community. It would also be useful to talk about the importance of having the support of the state's elected officials to protect the programs.

10:15 a.m.

Moderator introduces second speaker.

Second Speaker: Ideally an elected official such as a member of Congress, governor, state or local elected representative.

10:25 a.m.

Third Speaker: Ideally an individual or family who has benefited from free tax assistance and the EITC. The individual could speak about the difference the refunds have made in their life, how the tax assistance sites have helped them and what they have done with their refunds to improve their family's life.

10:35 a.m.

Moderator thanks speakers and opens the floor to questions.

Q & A with audience

10:45 a.m.

Conclude press conference and begin tour of tax site. Be sure to take pictures of site tour and tax returns being completed. Help facilitate any planned interviews between press/speakers.

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ENGAGING YOUR ELECTED OFFICIALS

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PRESS CONFERENCE AND SITE VISIT: PLANNING TIMELINE

THREE WEEKS PRIOR

2

ENGAGING YOUR ELECTED OFFICIALS

1. Identify event location.

One of the best locations is in front of or inside a free tax assistance site, with a tour of the site following the press conference. Think of photo-op when choosing press conference site: Lighting? Space? Banners?

2. Identify and invite event speakers.

Ideas for speakers include your organization's director, elected officials, advocates, and a family who has benefited from free tax assistance and the EITC. Invite elected officials as far in advance as possible and for U.S. members of Congress, plan the event during a time when Congress is in recess and the member will be home in the state.

3. Begin to update/develop media list.

Include both local media (print, radio and TV) who are likely to attend the event, as well as state-wide media that should know about the event. Create an e-mail group list for easy distribution.

4. Begin to update/develop attendee list.

A broad range of advocates, elected officials, community leaders and families should be invited to create a good crowd. Create an e-mail group list for easy distribution.

5. Create staff assignment to-do list for the next three weeks and for the day of event.

TWO WEEKS PRIOR

1. Confirm speakers and provide them with talking points

a. Develop event agenda: Speaker order, Q&A time, tour of tax site, etc.

b. If there will be multiple speakers, consider organizing a brief conference call to talk about the structure of the event, messaging and to make sure that speakers are comfortable with the logistics.

c. Confirm with the speakers that they are available for potential press interviews following the press conference. Make sure they have any needed background information on free tax assistance, state statistics, the EITC program, etc.

2. Confirm event location and room.

3. Write media advisory and press release based on templates that have been provided.

4. Write e-invitation to send to advocates, based on press advisory

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Advocates Ch. 2: Media Advisory and Press Release

TEMPLATE MEDIA ADVISORY: ANNOUNCING A MEMBER OF CONGRESS' SITE VISIT

Media Advisory
Date

Contact:
Name, Phone Number, E-mail

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(Organization) to Open Free Tax Preparation Sites

Opening Day Press Conference to Include (Senator/Rep Names), (Local State Official)

WHAT: Free Tax Assistance Site Launch Press Conference and Site Visit

WHEN: Time and Date

WHERE: Location

ATTENDEES: Members of Congress, State Elected Officials, Key Community Leaders, Tax Coalition Speakers

(City, State) – On (date), (your Organization) will officially launch its 2010 campaign to provide free income tax preparation assistance to low- and moderate-income working families in (area being served). A number of community leaders, including (U.S. Representative/ state or local official, and community, business, and civic leaders (names)), will be attending the opening and will be taking a tour of the site immediately following the press conference.

At each community tax center, expert volunteers assist families and individuals with their tax returns and ensure that they receive tax credits for which they're eligible, including the Earned Income Tax Credit (EITC) and the Child Tax Credit.

"Free tax filing assistance can make a big difference in the lives of low- and middle-income people in our state," (Organization spokesperson name) said. "People will find out if they're eligible for important tax credits, such as the Earned Income Tax Credit, and keep more of their hard-earned dollar by not having to pay a tax preparation company. We're honored to be joined by (Elected Official name), who shares our goal of helping families receive the tax refunds they're due to help them climb up the economic ladder."

Last year, (your Organization) prepared (##) federal tax returns, helping more than (##) work-ers collectively receive \$(##) in refunds.

"It's important to get the word out about free tax assistance sites," (spokesperson) said. "Too many people still don't know that free tax assistance is available, which means families may be missing out on important tax credits or spending money getting their taxes filed. We're hopeful to be able to help more people than ever this year and help them come closer to achieving the American Dream."

Speakers available for interviews pre or post event. Please contact (contact info) to schedule.

Description of your Coalition in italics

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TEMPLATE PRESS RELEASE: PRESS CONFERENCE/ EITC SITE VISIT

For Immediate Release
Date:

Contact:
Name, Phone Number, E-mail

2

(Organization Name) Launches Free Tax Assistance Sites

(U.S. Senator/Representatives, Local State Official) Attend Launch Event to Raise Awareness of Free Community Tax Services

EDITOR'S NOTE: (Digital Photos of Event available upon request)

(City, State) – (Your Organization) today kicked off its 2010 campaign to provide free income tax filing assistance to low- and moderate-income families throughout (area being served.) U.S. Senator/Representative/State official XX attended the opening and met with families receiving help with their tax returns. (Any Community Leaders) were also in attendance.

"We are very proud to be opening (##) sites today all across our state," (Organization spokesperson) said. "Through the hard work and dedication of our volunteer tax experts, we hope to help many low- and moderate-income working families file their taxes for free, avoiding costly tax preparation services. Even more importantly, we'll make sure they know about and receive any tax credits for which they are eligible, such as the Earned Income Tax Credit (EITC)."

The EITC is available to working people with low- to moderate-incomes, helping to supplement wages and encouraging work. The EITC averages refunds of \$1,930 per eligible taxpayer, which is typically spent on necessities such as utilities, rent, or children's school supplies. In 2006, the EITC brought \$(55)** back to (your state's) economy.

(If possible, add a quote from elected official)

At (Your Organization's) tax sites, expert volunteers work one-on-one with families and individuals to help file their tax returns and ensure that they receive qualifying tax credits, including the Earned Income Tax Credit (EITC) and the Child Tax Credit. In addition, financial planning resources are available, such as opening bank accounts.

Across the nation, the Internal Revenue Service partners with nonprofit organizations to operate nearly 12,000 free tax preparation sites. These Volunteer Income Tax Assistance (VITA) sites offer free tax help by trained volunteers to people earning less than approximately \$42,000 per year. Free tax assistance is also available for seniors age 60 and older, as well as military personnel and their families.

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ENGAGING YOUR ELECTED OFFICIALS

ENGAGING YOUR ELECTED OFFICIALS

Chapter 3

EITC STATISTICS

- EITC Receipt by State
- EITC Receipt by Congressional District
- Community Volunteer Income Tax Assistance Results by State

A. EITC Receipts by State

B. EITC Receipts by Congressional District

C. Community Volunteer Income Tax Assistance Results by State

Chapter 4

STATE CASE STUDIES

- North Carolina
- Ohio
- Iowa
- Washington

A. North Carolina

B. Ohio

C. Iowa

D. Washington

Elected Officials Toolkit

The Earned Income Tax Credit and the Volunteer Income Tax Assistance Program

HOW ELECTED OFFICIALS CAN GET INVOLVED IN OUTREACH

NATIONAL COMMUNITY TAX COALITION

The Hatcher Group
Connecting Nonprofit Organizations to Policymakers and the Media



Using the Elected Officials Guide

- Distribute to elected officials as you're meeting with them on the Day of Action; talk through ideas on how they can get involved
 - Fact Sheets and Data are the same as in the Advocates Guide
 - Key Differences from the Advocates Toolkit:
 - Toolbox of ideas is geared toward elected officials' needs
 - Provides a lengthy chapter of examples on what other officials have done, including newsletter samples, press releases and media coverage of site visits.
-

Chapter 2

IDEAS FOR ELECTED OFFICIALS:

GETTING INVOLVED IN FREE
TAX ASSISTANCE AND EITC
OUTREACH

- Ideas for Elected Officials
- Sample Newsletter Article and Website Ideas
- Template Op-Ed
- Template Media Advisory
- Template Press Release
- Talking Points

A. Ideas for Elected Officials

B. Newsletter and Website

C. Op-Ed

D. Site Visit Media Advisory

E. Site Visit Press Release

F. Site Visit Talking Points

Officials Ch. 2: Toolbox of Ideas

2

IDEAS FOR ELECTED OFFICIALS: GETTING INVOLVED IN FREE TAX ASSISTANCE AND EITC OUTREACH

Every year during tax season, Volunteer Income Tax Assistance (VITA) sites across the country help low- and moderate-income people file their taxes. At these VITA sites, individuals and families receive much needed tax assistance at no cost, while also learning about the tax credits they may be eligible for that will help them make ends meet.

One of the most important tax credits for low- and middle-income working families is the Earned Income Tax Credit (EITC). The EITC rewards work and helps put more money back in the pockets of hard-working Americans and stimulates local economies.

The EITC consistently receives bipartisan support, having been created under President Ford and expanded under Presidents Reagan, Bush Sr., and Clinton. The program also received support by President Bush, and President Obama has already expanded the program to temporarily increase EITC benefits. It is an issue that everyone can stand behind and promote as an economic resource for their state.

HOW TO GET INVOLVED

VITA sites and the EITC are remarkable programs, but too often families don't know about the programs and miss out on the benefits. An elected official can help increase awareness and build connections with their constituents through EITC outreach. Following are a list of easy ways to get involved and help families in your community.

1. CONDUCT A SITE VISIT: The Volunteer Income Tax Assistance program, which is funded in part by the IRS, is available nationwide and offers free tax help to low- to moderate-income (approximately \$42,000 and below) people. VITA sites are usually located at community centers, libraries, schools, malls or other convenient locations. Most locations also offer free electronic filing. Tax services are also available for seniors and military.

A great way to draw attention to VITA sites is by conducting a site visit and inviting the media. Most sites open in January and opening day events often include press conferences and community activities to raise the site's profile. Sites would gladly welcome an elected official at their press conference, touring the site, and meeting families on opening day. Alternatively, visits can be arranged anytime throughout tax season. Most tax sites are happy to help arrange press activities around those visits as well.

To locate the nearest VITA site in your district or state, call 1-800-829-1040.

Template Site Visit Materials are included in this toolbox.

2

IDEAS FOR ELECTED OFFICIALS: GETTING INVOLVED IN FREE TAX ASSISTANCE AND EITC OUTREACH

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To locate the nearest VITA site in your district or state, call 1-800-829-1040.

Template Site Visit Materials are included in this toolbox.

Officials Ch. 2: Newsletter/ Website/ Op-Eds

SAMPLE NEWSLETTER ARTICLE AND WEBSITE IDEAS

2

Dear Neighbor,

Did you know that there are a number of locations in our community where low- and moderate-income people can get help filing their taxes at no cost? The Volunteer Income Tax Assistance (VITA) program, which is funded in part by the IRS, offers free tax help to people making less than approximately \$42,000 a year.

In addition to receiving much-needed tax help, families will also learn about important tax credits that they may be missing out on. The Earned Income Tax Credit (EITC) is a tax credit especially for low-income working families. It helps workers keep more of the money they earned, which helps families pay their rent and buy groceries or new shoes for their kids.

In 2007, ## families received the EITC in our state, but there are many more who are eligible but don't know about the program. I'm hopeful that more (State) families will learn about the EITC, visit a VITA site and file their taxes this year. The amount of your EITC refund depends on things like income and family size, but many families receive rebates of a couple thousand dollars – make sure you don't miss out on your refund. If you didn't claim the EITC in the past, you may also be able to file amended claims and receive more of the money you've earned.

To find a VITA site near you, call 1-800-829-1040 or visit my website at XXXX.

Please let your friends, families and co-workers know about this important service. No one enjoys filing their taxes, but VITA sites help make it a little easier.

WEBSITE IDEAS

An elected official's website is an excellent way to further spread the word about the EITC and the availability of VITA sites. If you already have this important information on your website, take a moment to make sure it's up-to-date and if there are any additional resources you can include. Below are links that would provide your constituents with this important information.

EITC Assistant

<http://www.irs.gov/individuals/article0,,id=130102,00.html>

This is the IRS's site for determining EITC eligibility. Available in English and Spanish.

VITA Information

<http://www.irs.gov/individuals/article0,,id=107626,00.html>

This is the IRS's site on the Volunteer Income Tax Assistance program. It includes information on the materials needed when filing taxes as well as how to find a site.

IDEAS FOR ELECTED OFFICIALS

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TEMPLATE OP-ED

2

Tips: This op-ed could be pegged to EITC Awareness Day in January or to the opening of the VITA sites to enhance its newsworthiness. Otherwise, the ideal time to submit this op-ed is in February or March, when people are more likely to have received their W-2s and more likely to be ready to prepare their taxes. Also, feel free to insert statistics pertaining to your district and anecdotes that demonstrate the impact of the EITC on families' lives and the local economy.

By Elected Official

In this current economic climate, many of our [state/city/region]'s hard-working families are doing all that they can to make ends meet, yet still falling short. As the 2010 tax season begins, I want to make sure that all citizens who qualify for the Earned Income Tax Credit (EITC) receive the boost of help that they deserve.

The EITC is a federal tax credit that provides extra financial support to low- and moderate-income working families. Refunds help families pay for necessities, like utility bills, rent and children's school supplies. The EITC makes a tangible impact on the lives of people in our community.

The EITC is available to working people with low to moderate incomes, helping supplement wages. The amount of the EITC varies, depending on families' income and number of children.

These funds have a significant impact on helping families make ends meet. But the EITC also has a remarkable impact on our local economy. Every year, the program brings back \$[Dollars]* to our [state/city/region]. The EITC is a win-win for reducing poverty among working families and boosting the community as a whole.

Nationally, eligible low-income taxpayers fail to claim billions of EITC dollars every year – billions of dollars that could go back into the pocketbooks of families and back into our economy. In [state/city/region] alone, \$[Dollars] in EITC dollars annually go unclaimed.

Too often, eligible families are unaware of the EITC and the benefits they can receive. But thanks to a growing number of free tax preparation sites – often known as Volunteer Income Tax Assistance (VITA) sites – families can receive guidance and assistance at no cost.

VITA sites, which are supported by partnerships between the Internal Revenue Service and nonprofit organizations, offer free tax assistance by trained volunteers to low- and moderate-income families and individuals, the elderly and the military. Across the nation, nearly 12,000 VITA sites offer free tax preparation services to people earning less than \$42,000 per year.

In [state/city/region], we have [Number]* VITA sites providing this help right in our commu-

IDEAS FOR ELECTED OFFICIALS

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Officials Ch. 2: Press Release and Talking Points

TEMPLATE PRESS RELEASE FOR ELECTED OFFICIAL'S SITE VISIT

FOR IMMEDIATE RELEASE
[Date]

CONTACT:
[Name, Number]

2

[Elected Official] Highlights Benefits of Free Tax Preparation Services for Low-Income Families

At [Site], [Official] Recognizes Local Economic Impact from Earned Income Tax Credit

[City] - With the 2010 tax season in full swing, [Elected Official] visited [Site] today to call attention to the free income tax filing assistance available for low- and moderate-income families throughout [Region]. [Site Name] is one of [Number] sites in the area providing this free service that helps ensure families complete accurate returns and receive tax credits for which they're eligible, including the Earned Income Tax Credit (EITC) and the Child Tax Credit.

"In these challenging economic times, it is important that our community's hard-working families get the credits and refunds they deserve," [Elected Official] said. "The EITC is a valuable source of support that can help families climb the economic ladder."

Nationally, eligible low-income taxpayers fail to claim billions of EITC dollars every year. Free tax preparation sites - known as Volunteer Income Tax Assistance (VITA) sites - run in partnership by the Internal Revenue Service and nonprofit organizations, offer families cost-free assistance by trained volunteers.

In 2009, [Site Name] prepared tax returns for [Number] families, helping them collectively receive \$[Dollars] in refunds.

"The EITC helps reduce poverty and increase stability for working families," [Elected Official] said. "It also brings much-needed money flowing back into our local economy."

The EITC is available to working people with low to moderate incomes, helping supplement wages and encouraging work. The amount of the EITC varies, depending on families' income and number of children, and it is typically spent on necessities such as rent or utilities.

Across the nation, nearly 12,000 VITA sites offer free tax preparation services to people earning less than \$42,000 per year. Free tax assistance is also available for seniors age 60 and older, as well as military personnel and their families.

For more information about VITA sites, please call the IRS toll-free at 1-800-906-9887.

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IDEAS FOR ELECTED OFFICIALS

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TALKING POINTS

The following talking points can be used by elected officials and their offices for a variety of outreach efforts around the EITC and free tax assistance.

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SPREADING THE WORD ABOUT THE AVAILABILITY OF FREE TAX ASSISTANCE CAMPAIGNS

- The Volunteer Income Tax Assistance (VITA) program, which is funded in part by the IRS, provides free tax help to people making less than approximately \$42,000 a year.
- It's important to increase awareness about the availability of VITA sites. When workers don't know about VITA sites, they often turn to paid preparers, which results in high fees and the loss of important income that is needed to make ends meet.
- Highly knowledgeable and well-trained volunteers assist families and individuals with their taxes at VITA sites. Even more importantly, families learn about the important tax credits they may be eligible for, including the Earned Income Tax Credit (EITC) and the Child Tax Credit.
- Nationwide, billions of dollars in Earned Income Tax Credits go unclaimed by low-income taxpayers every year because they don't know they're eligible or don't file a claim.
- Free tax preparation helps working families and benefits the economic health of the entire community. Tax refunds put more money back into the local economy and helps families climb up the economic ladder.

IDEAS FOR ELECTED OFFICIALS

THE BENEFITS OF THE EARNED INCOME TAX CREDIT

- The Earned Income Tax Credit is a tax credit for low-income working individuals and families. The goal of the program is to reduce the tax burden on low-income workers and supplement their wages.
- In tax year 2006, 22.4 million low-income families and individuals across the nation received EITC benefits totaling \$43.7 billion. These are families who are working hard, many at more than one job, but whose low wages are preventing them from getting ahead. The EITC can make the difference in making ends meet.
- The EITC is widely credited as one of most successful anti-poverty programs ever enacted. Each year the EITC lifts more than 4.1 million people out of poverty including more than 2 million children.
- The EITC consistently receives bipartisan support, having been created under President

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Chapter 3

HOW OTHERS
ARE GETTING
INVOLVED IN
EITC OUTREACH

EXAMPLES FROM ELECTED
OFFICIALS AND MEDIA
COVERAGE

Press Releases - Federal

HOW ELECTED OFFICIALS ARE GETTING INVOLVED



Congressman Leonard Boswell
Press Release, February 3, 2009

CONGRESSMAN BOSWELL ENCOURAGES ELIGIBLE CONSTITUENTS TO SEEK EARNED INCOME TAX CREDIT *EITC COULD BE A CRITICAL FINANCIAL HELP TO MANY IOWANS*

For Immediate Release
February 3, 2009

Washington, DC – As we enter the tax season, Congressman Leonard Boswell today is encouraging constituents in the 3rd Congressional District to find out if they are eligible for the Earned Income Tax Credit (EITC).

"Many Iowans experienced financial hardships last year," said Boswell. "People may be eligible for EITC for the first time and need to see if they qualify for this credit."

The amount of the EITC, the government's largest tax benefit program for working families and individuals, is determined by earned income and family size.

For the 2008 tax year, the maximum credit is \$4,824 for a family with two or more children; \$2,917 for a family with one child and \$438 for a childless taxpayer.

Generally, earned income and adjusted gross income must each be less than:

- \$38,646 (\$41,646 married filing jointly) with two or more qualifying children;
- \$33,995 (\$36,995 married filing jointly) with one qualifying child;
- \$12,880 (\$15,880 married filing jointly) with no qualifying children.

"Even in better economic times, the IRS research indicates that one in four eligible taxpayers fails to claim EITC each year," added Boswell. "For example, people over age 65 usually are not eligible. However, if they are raising a grandchild who meets certain requirements, they may be eligible for EITC."

Boswell added, "Workers who do not have a child or who do not live with their own child may be unaware that they could still be eligible for a credit."

Taxpayers who qualify for EITC should explore available free tax preparation services. The IRS provides assistance to low-income taxpayers at more than 400 IRS offices nationwide, including Des Moines. The IRS also recently announced that its Taxpayer Assistance Centers will be open on some Saturdays in February to help taxpayers who are eligible for the EITC.

"In these hard economic times, this is a significant credit which can put money in people's pockets," said Boswell.

For further information, go to www.irs.gov, or call the Des Moines office at 515-564-6618.

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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Congressman Richard Neal
Press Release, February 12, 2008

NEAL URGES ELIGIBLE TAXPAYERS TO SEEK FREE ASSISTANCE MANY WORKING FAMILIES STILL ELIGIBLE FOR TAX CREDIT

For Immediate Release
February 12, 2008

(WASHINGTON)— Congressman Richard E. Neal today urged working families in western and central Massachusetts to determine whether they are eligible for the Earned Income Tax Credit (EITC). The EITC is available primarily for low-income working families, but households earning as much as \$39,000 may also be eligible. More than 22 million taxpayers nationally received approximately \$43.7 billion in EITC in 2007. This year, the maximum credit for a family of two or more children is \$4,716.

"I am doing everything I can to get all working families the tax credits they have earned. I believe the true purpose of the EITC was to encourage low-income workers to remain active in the workforce. The IRS has estimated that about 20% of eligible families nationally are still unaware that they qualify for the EITC. In my district alone, there are as many as 10,000 families that should be claiming credits up to \$4,000 per household," said Congressman Neal.

During the 2007 filing season, there were 40,866 EITC returns in the 2nd Congressional District totaling 572,375,918. Of that number, 61% used a paid preparer, and only 3% used the free IRS taxpayer assistance. Based on these numbers, 25,111 recipients had to pay for taxpayer assistance.

"Unfortunately, this tax credit for working families is very complex, which is why many of the recipients had to pay a professional for assistance. I strongly encourage those who are eligible, or who think they are eligible, to seek out the free assistance offered locally," said Neal.

The IRS offers regional Taxpayer Assistance Centers that help people with filing their tax returns, including claims for the EITC. On Saturday, February 16, the IRS center will be located in the Federal Building, 1550 Main Street, Springfield. The office will be open to the public from 8:30am to 12:30pm.

Taxpayers interested in determining whether they are eligible for the EITC may also visit the IRS website at www.irs.gov/eitc. Those taxpayers who do qualify can also use the website to find other taxpayer assistance locations and use the IRS Free File Program.

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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Press Releases - State



Governor Jennifer Granholm
Press Release, January 31, 2008

JANUARY 31 IS NATIONAL EARNED INCOME TAX CREDIT DAY IN MICHIGAN *TAX CREDIT HELPS WORKING FAMILIES MOVE TOWARD SELF-SUFFICIENCY*

For Immediate Release
January 31, 2008

Gov. Jennifer M. Granholm has proclaimed Jan. 31 as Earned Income Tax Credit Day in Michigan.

"The Internal Revenue Services estimates that more than \$300 million in Earned Income Tax Credits goes unclaimed by low-income taxpayers in Michigan," DHS Director Ismael Ahmed said. "The Earned Income Tax Credit is a proven anti-poverty tool that makes the difference for Michigan's working families.

"Governor Granholm's proclamation helps more people learn about this critical support in their efforts to overcome poverty, put a down payment on a home, take care of their families, and become financially self-reliant."

For the 2007 tax season - depending on a person's income and number of dependents - the federal EITC can reach a maximum of:

- \$4,716 for families with two or more children.
- \$2,853 for families with one child.
- \$428 for taxpayers with no children.

Michigan enacted a state earned income tax credit in 2006 that becomes effective during the 2008 tax season. Under the agreement, working families are eligible to receive a percentage of the federal EITC, starting with 10 percent for 2008 and increasing to up to 20 percent in 2009.

Michigan's Earned Income Tax Credit Initiative, started in 2003, spurred development of Volunteer Income Tax Assistance centers in 81 counties and helped spread information on ICAN! electronic filing services. There were 664,900 returns filed through volunteer sites in Michigan during the 2006 tax season. Also in the 2006 tax season, more than \$1.2 billion in EITC returns were approved by the IRS and the average Michigan refund was \$1,931.

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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CITY OF BOSTON, MASSACHUSETTS
Office of the Mayor
Thomas M. Menino
Press Release, February 1, 2008

MAYOR HELPS WORKING FAMILIES PUT "MONEY IN THEIR POCKETS" *Kicks Off EITC Campaign with Opening of 24 FREE Tax Prep Sites* *Mayor Thomas M. Menino, joined by members of the Boston Earned Income Tax Credit*

(EITC) Coalition and IRS Tax Specialist Don Dill kicked off another tax season today. Menino announced that the Boston EITC Campaign has opened 24 free tax preparation sites (visit www.bostontaxhelp.org for a list of sites) throughout the City to assist residents in filing their taxes and claiming the EITC. Additionally, Boston Public Health Commissioner Barbara Ferrer provided important information that tax payers may need to meet the new state law requiring people to prove they have health insurance. The Boston EITC Coalition is dedicated to raising more awareness of this important cash benefit for working people. The coalition in Boston is recognized as a national leader in offering free tax prep sites for qualified EITC recipients and increasing the number of families accessing the EITC. When residents take advantage of the federal and state EITC, it brings significant benefits to the local economy as many families use that money to pay bills, buy groceries, or start a savings account. "When working families do not claim the EITC, which they have worked hard for and are entitled to, money is lost to the entire community that could go towards job creation and boosting the economic activity of the whole city," Mayor Menino said. "Last year, our free tax prep sites returned almost \$15 million in federal and state refunds to families across the city. Ultimately the EITC benefits all Boston neighborhoods and results in greater economic opportunity," Mayor Menino also urged employers to inform their workers about the underutilized tax credit. "The best way to get this money into the hands of the people who earned it is by getting the word out," the Mayor said. According to national estimates, approximately \$8 million went unclaimed last year in Boston.

EITC Eligibility

The EITC is a federal and state tax credit available to many low-to-moderate income working families and individuals. Eligible residents can qualify for up to \$5,000 in federal and state money, but many people are unaware of the EITC and therefore don't apply for it. Last year the Campaign returned \$15 million total tax dollars and served 9,000 Boston families. Through the direct efforts of the EITC Campaign, the dollars returned to hardworking families has increased \$5 million over the last two years. The number of households claiming the credit has increased by over 3%, yet there are still

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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Media Coverage



Tampa Bay Beach Beacon
Tuesday, February 17, 2009

BEACHES CHAMBER OFFERS FREE TAX HELP THE SESSIONS ARE HELD THURSDAYS AT THE CHAMBER OFFICE IN ST. PETE BEACH

BY BOB MCCLURE
TAMPA BAY BEACH BEACON

ST. PETE BEACH – Lower and middle income residents have a new, free option available for getting their income tax returns completed this year.

The Tampa Bay Beaches Chamber of Commerce has teamed up with the Wealth Building Coalition of Pinellas County to offer free income tax preparation service for those earning \$42,000 or less as part of an effort to make single parents aware of the benefits of the earned income credit.

The free sessions are Thursdays from 10 a.m. to 1 p.m. at the chamber office, 6990 Gulf Blvd., St. Pete Beach.

“The government committee wanted to bring this forward to offer our chamber members, such as the hotels on the beaches,” said Doreen Moore, chairwoman of the TBCC government committee. “So many of our employees are single parents and they’re so intent on getting their money back as quickly as possible that they do their taxes at one of those places that loans money for interest rates as high as 300 percent. And a lot of them are not taking advantage of the earned income credit.”

The Earned Income Tax Credit, or the EITC, is a refundable federal income tax credit for low to moderate income working individuals and families. When the EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit.

To qualify, taxpayers must meet certain requirements and file a tax return, even if they did not earn enough money to be obligated to file a tax return.

According to the Internal Revenue Service, the EITC has no effect on certain welfare benefits. In most cases, EITC payments will not be used to determine eligibility for Medicaid, Supplemental Security Income, food stamps, low-income housing or most Temporary Assistance for Needy Families payments.

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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The Boston Globe

The Boston Globe
February 12, 2008

CREDIT WHERE IT'S DUE

ONE OF the most powerful government programs to help fight poverty among low-wage workers is the earned income tax credit. Those who claim the credit stand to keep thousands more of the dollars they earn. That's a tremendous boon, especially now when the economy is weak. But this underused tax policy needs more publicity - which the City of Boston is trying to provide.

Last year, one Roxbury mother of three received \$8,000 by applying retroactively for several years of the tax credit, according to officials at ABCD, the local antipoverty agency. Altogether, Boston's tax filers claimed \$73 million through the EITC in 2006, getting an average of \$1,700 each, according to the Internal Revenue Service.

The beauty of EITC is that it's a tax credit - not a rebate - so it can even put money in the pockets of people too poor to owe any income taxes. It's a policy that rewards work, helps families, and stimulates the economy.

The number of claims in Massachusetts is increasing. Still, many who could benefit don't know about the EITC.

“When working families do not claim the EITC, which they have worked hard for and are entitled to, money is lost to the entire community that could go toward job creation and boosting the economic activity of the whole city,” Mayor Menino said in a statement.

Nationally, some 20 to 25 percent of eligible taxpayers fail to claim the credit, according to IRS estimates.

Even many who do file for the credit end up losing money because they pay to have their taxes prepared, according to the nonprofit Brookings Institution, a think tank in Washington.

Brookings says that of the 70 percent who paid tax preparers in 2004, a third got dicey “refund loans” from companies that advance filers the amount of their refunds but charge high fees.

Mayor Menino, the IRS, and local organizations have set up 25 tax preparation sites for people who are eligible for the EITC. It's free help filling out tax forms and filing electronically.

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HOW OTHERS ARE GETTING INVOLVED IN EITC OUTREACH

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To download copies of the toolkits:

<http://www.thehatchergroup.com/eitcoutreach.html>

To request additional copies:

laura@thehatchergroup.com

Data-Driven Stories for Use with Elected Officials

Steve Holt

HoltSolutions | Aspen Institute | Annie E. Casey Foundation

Georgia EITC/Asset-Building Statewide Coalition Meeting

Savannah, GA

June 29, 2010

Motivations for Elected Officials

- Assisting constituents
- Accessing federal dollars
- Protecting constituents
- Strengthening the economy
- Investing for a good return

Assisting Constituents – Impact of Taxes & Tax Credits

Translate tax law into family-based examples

For example, single parent working at minimum wage & raising 2 children in 2010

- Show taxes paid & credits received
- Highlight differences in federal & state policy
- Demonstrate net effects
 - Total household resources
 - Hourly wage equivalent

EARNINGS @ \$7.25 / hr (full-time, full-year)	\$15,080
Federal Payroll Taxes	(\$1,154)
Federal Income Tax	(\$0)
Georgia Income Tax	(\$81)
Federal Making Work Pay Credit	\$400
Federal Earned Income Tax Credit	\$5,036
Federal Child Tax Credit	\$1,812
Georgia Low Income Credit	\$15
AFTER-TAX INCOME	\$21,108
<i>HOURLY RATE EQUIVALENT:</i>	\$10.15

Assisting Constituents – Asset Development

Assetplatform.org

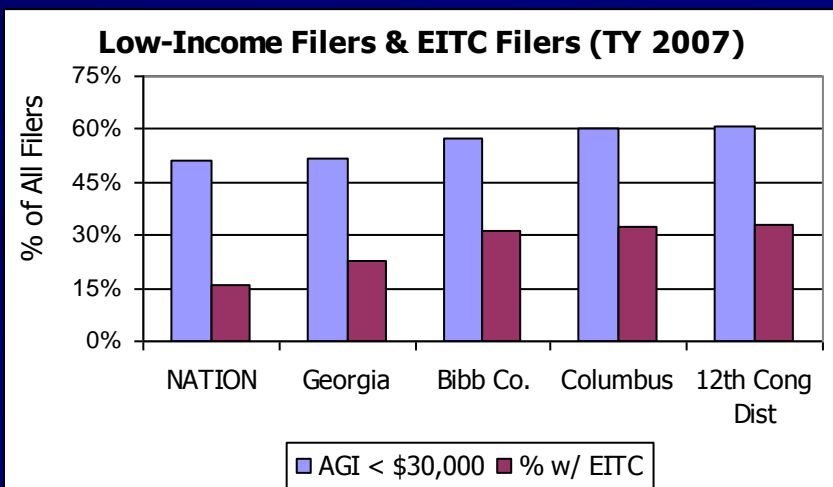
Suite of tools coalitions can use to build
family economic security

- Budgeting
- Savings
- Debt
- Credit scores
- Insurance / safety net

Accessing Federal Dollars – Unclaimed Tax Credits

- “Money left on the table”
- But participation rates practically impossible to calculate
- Alternative approach:
 - Set % targets for increasing EITC filers
 - Estimate additional \$s to community
 - Amounts tied to existing claims
 - Assume new claimants at 50% of existing average

Setting targets for additional filers – comparisons to benchmarks



Calculating estimated value of additional EITC claims

	Baseline # of Filers	Baseline Avg EITC Payment	Increase Target	New Filers	New Payments
Georgia (Statewide)	909,882	\$2,172	10%	90,988	\$98,812,968
Bibb County	20,565	\$2,418	5%	1,028	\$1,242,852
Columbus	26,571	\$2,389	5%	1,329	\$1,587,491
12th Cong District	87,833	\$2,307	7 ½ %	6,588	\$7,599,258

Protecting Constituents – Reducing Tax Season Costs

\$187 for return preparation & filing

Impact Alabama study: \$405!

\$65 - \$115 for RAL itself (w/ typical EITC refund)

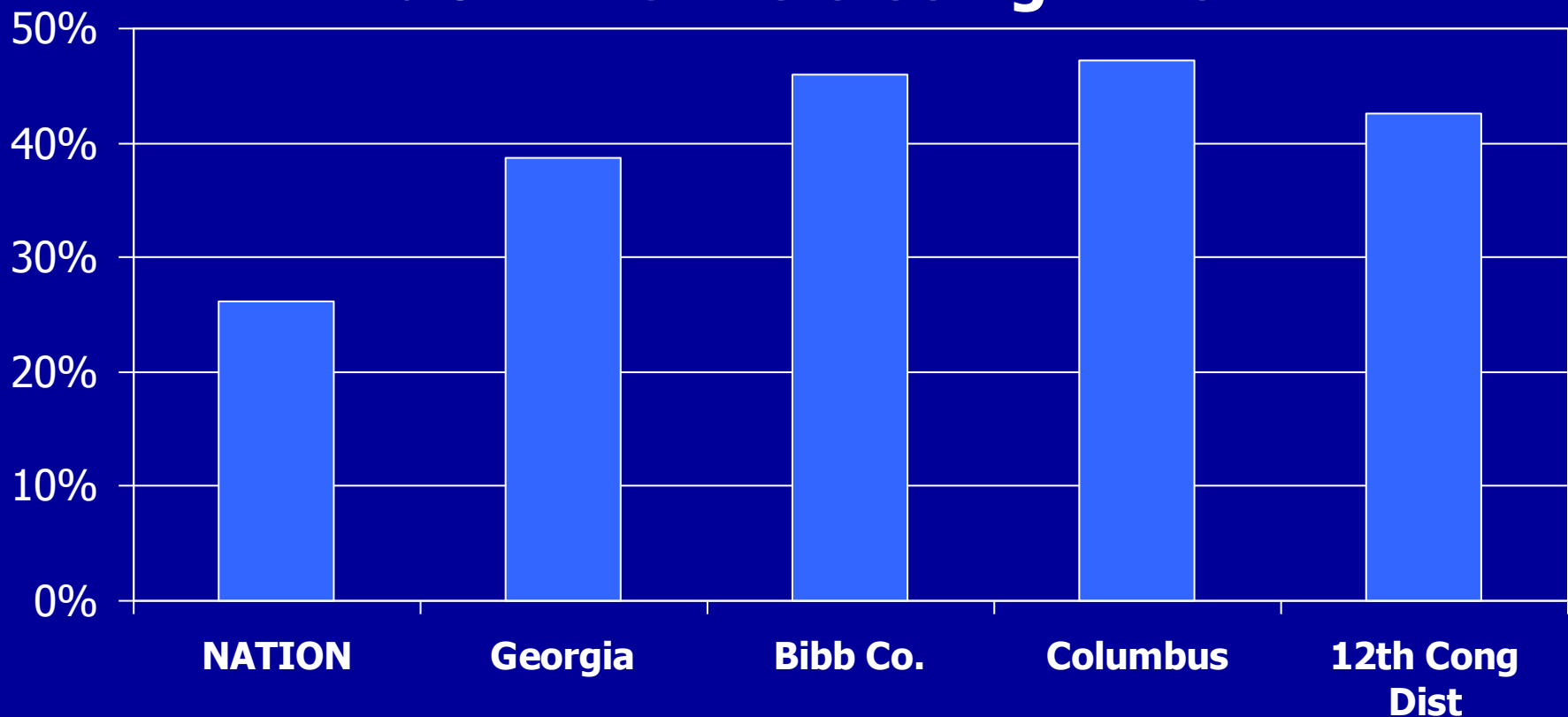
\$40 for add-on fees, such as same-day service, document processing, paper check, check cashing

More information:

[http://www.consumerlaw.org/issues/refund_anticipation/
content/2010_RAL_Report.pdf](http://www.consumerlaw.org/issues/refund_anticipation/content/2010_RAL_Report.pdf)

Refund Anticipation Loans – Showing The Local Impact

% of EITC Filers Using RALs



Strengthening the Economy – Activity & Tax Revenues

- Economic activity (multiplier) calculations
 - San Antonio (\$1.58 per \$1 EITC claimed)
 - Nashville (\$1.07)
 - California (\$1.11)
- Tax collections (local and/or state)
 - San Antonio (\$2 per \$1,000 EITC claimed)
 - Baltimore (\$4.58)
 - Nashville (\$24.74)
 - California (\$78.88)

Investing for a Good Return – Nashville example (2005)

- Received local (city/county) funding by illustrating:
 - Mid-season progress
 - Number of returns
 - EITC refund dollars collected
 - Substantial improvement over the previous year
 - Relative benefit over cost
 - Subsequent sales tax revenue

Data Resources

- Tax agencies (IRS, GA Dept. of Revenue)
- <http://www.assetplatform.org>
- Census Bureau
(<http://factfinder.census.gov>)
- Brookings EITC website
(<http://www.brookings.edu/projects/EITC.aspx>)
- California economic impact study
(<http://newamerica.net>)
- Tax sites (tax & survey data)
 - TaxWise
 - NTA Application

Data-Driven Stories for Use with Elected Officials

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