

As part of the Omaha EITC Coalition, United Way of the Midlands' 2-1-1 Center in Nebraska responds to calls about the EIC, CTC, and free tax filing assistance in Nebraska and Southwest Iowa. The Nebraska Statewide EITC Coalition also uses 2-1-1 as the hotline for its campaign. 2-1-1 gives callers information about free tax filing sites, including the location, contact information, and dates and times of operation. It also informs callers about documents they need to take with them when they have their taxes filed. 2-1-1 has served as the hotline for both coalitions for more than five years. From December 2010 through April 2011, 2-1-1 received 3,112 calls about the EIC, CTC, and VITA.



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# Strategies for Promoting Free Tax Filing Assistance

A basic goal for any Tax Credit Outreach Campaign is to get the word out to low-wage workers that they may qualify for significant tax benefits. But, the outreach job is not done until they file their tax returns and obtain the tax credits they've earned. That's why a critical element of a successful campaign is the effort to link workers with free tax filing assistance, through the IRS-sponsored Volunteer Income Tax Assistance (VITA) program. While VITA is the largest such program serving working families, workers also use the AARP Tax-Aide program or other separate free tax preparation programs.

## Hotlines

Set up a hotline to publicize free tax assistance sites, precluding the need for tax filers to rely on the IRS toll-free number which is often busy during the height of tax season. A local hotline can provide callers basic information about eligibility rules and locations for nearby VITA site. In areas where large numbers of residents speak languages other than English, a local hotline with bilingual operators can be critical to an Outreach Campaign's ability to help workers claim the EIC and CTC.

## STRATEGIES

- Link up with an existing information hotline, such as information and referral (I&R) services (commonly run by United Way agencies) that already receive calls from individuals likely to be eligible for the EIC and the CTC. Operators may be able to answer tax credit questions during tax filing season. The United Way Worldwide coordinates a popular I&R service known as "2-1-1" which enables callers in all fifty states plus D.C. and Puerto Rico to dial 2-1-1 to find information on local human services programs. Many local Tax Credit Outreach Campaigns now use "2-1-1" as their hotlines. Visit [www.211us.org](http://www.211us.org) to learn more.
- Help prepare for the extra volume of calls a hotline can expect to receive by contributing staff, volunteers or funds. Another possibility is to add tax credit information to Child Care Resource and Referral (CCRR) agency hotlines which help families in search of affordable child care. CCRR phone counselors can discuss tax credits with callers and

point out that tax refunds can be used to cover the out-of-pocket costs of child care. Large employers may have companywide hotline services to assist employees with concerns about transportation, child care, and other needs. Adding tax credit information makes sense.

- Establish a new hotline by hiring an answering service or engaging volunteers or a voicemail system. Your hotline can help callers determine if they are likely to be eligible for the EIC and the CTC or it can simply refer them to VITA sites.

## Financial Institutions

Under the Community Reinvestment Act (CRA), financial institutions — including mainstream banks, community banks, credit unions and locally owned savings institutions — are evaluated on their efforts to help underserved neighborhoods gain access to credit and other financial services. Financial institutions have become enthusiastic Tax Credit Outreach Campaign partners and have helped tax filers open bank accounts and arrange for direct deposit of refunds.

- Encourage financial institutions to offer affordable bank accounts at free tax preparation sites and work with them to decide on favorable terms. For example, banks can waive or reduce monthly fees, minimum balances and penalties. A report from The National Community Tax Coalition (NCTC) explains desirable bank account features that can be negotiated with financial institutions. Enter *“Financial Institution Partnership Guidelines”* in the search box on NCTC’s website at [www.tax-coalition.org](http://www.tax-coalition.org).
- Enlist banks or credit unions to provide free check-cashing for people who do not have bank accounts or are not interested in opening one. One Outreach Campaign partnered with a bank to issue vouchers to tax filers at a VITA site that could be redeemed for free refund check cashing.
- Augment volunteer efforts by enlisting financial institutions to allow their employees to volunteer at a free tax site on company time. The Federal Deposit Insurance Corporation (FDIC) works with banks to organize such efforts. *FDIC regional offices can be found at: [www.fdic.gov/about/contact/directory/#Regional/FieldOfficer](http://www.fdic.gov/about/contact/directory/#Regional/FieldOfficer).*

For two years, PNC Bank has partnered with VITA sites in Indiana, Maryland, New Jersey, Ohio, Kentucky,

Pennsylvania, and the District of Columbia.

For VITA clients who do not have a bank account and do not want to open one, PNC arranges for certain branches to cash their refund check free of charge. Clients must present a letter from their VITA site to receive this service. VITA sites issue clients up to two letters, which they must present at the bank to be able to cash their state and federal refund checks for free. PNC Bank also works with VITA sites to issue tax refunds loaded on no-fee debit cards.

In 2011, PNC Bank branches in the seven states cashed 143 refund checks for 121 taxpayers, providing \$191,000 in refunds, and issued 550 debit cards loaded with \$746,000 in refunds.

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## FACT:

*A study by the Center for Financial Services Innovation finds that 18.5 million U.S. households do not have a bank account and are “unbanked.” The mean household income of the unbanked is \$23,600, making them potentially eligible for the EIC.*

In 2011, Community Housing Resource Center (CHRC) in Vancouver, Washington expanded its free tax



preparation services to include self-preparation kiosks as part of a pilot test of the IRS' Free Assisted Self-Service Tax Preparation (FAST) initiative. This initiative is designed to help VITA sites offer taxpayers additional filing options, prepare more tax returns, increase electronically filed returns, and reduce waiting times during peak hours.

As part of the FAST initiative, CHRC designated four computers for clients to prepare their own tax returns. When clients came to the office, they completed a mini-interview so that staff could assess whether they were a better match for volunteer assistance or self-preparation of their returns. A CHRC-designated volunteer helped clients identify the most appropriate software package to file their taxes, answered questions, and reviewed tax returns prior to submission (if requested).

In 2011, CHRC filed 71 tax returns through FAST and 116 returns altogether, generating \$157,011 in refunds. CHRC was one of 18 organizations to participate in the FAST pilot in 2011.

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## Find It On the Web

[www.eitcoutreach.org](http://www.eitcoutreach.org)

- More Outreach Strategies and Examples
- 2011 Earned Income Tax Credit Estimator

## Technology and the Internet

Use of the Internet has opened up many Tax Credit Outreach Campaign opportunities, from presenting new channels for publicizing campaign activities to linking low-income workers with technology that can save time and paperwork.

- Post information about VITA sites on your website and send email announcements to your contacts or listserv to inform them about free tax preparation services. Monitor VITA site schedule changes during the filing season so that you can update information as needed. You can also post information about eligibility for the EIC and CTC, including an online tool in English and Spanish for individuals to figure their own eligibility — search for “EITC Assistant” at [www.irs.gov](http://www.irs.gov).
- Expand access to electronic filing (e-filing) at VITA sites by helping them obtain computer equipment. Local businesses that are upgrading their computers may be willing to donate their older models. The IRS can provide free software needed for e-filing. Talk to your IRS Territory Manager about the computer system requirements for this software.
- Let workers know how to obtain EIC and CTC tax forms at the IRS website, [www.irs.gov/formspubs](http://www.irs.gov/formspubs). Providing this information helps ensure that workers — especially those who choose to file their own returns — do so properly.
- Reach out to “digital divide” programs. While the number of low-income households with access to the Internet is steadily increasing, low-income families still are much less likely than higher-income families to have regular Internet access. Programs to address this gap, known as the “digital divide,” provide such families education and access to computers, the Internet and other technologies. These programs may assist families in learning to e-file their taxes.
- Use social media. Social media websites such as Facebook, Twitter and YouTube are tools that can be used to provide visibility for your campaign, disseminate information about free tax filing sites, recruit volunteers, and reach potential VITA clients. Create an account for your organization or for your outreach campaign. Provide regular updates year-round about the tax credits, VITA sites, money management and asset-building. Be creative!