



## Utility Companies

Low-income households are facing tough times as they struggle to meet soaring electricity, natural gas, and heating oil prices, as well as the high cost of gasoline. High energy costs also push up the price of food and other necessities, putting even more pressure on families. As home budgets are squeezed, many households may find themselves in danger of having their power service disconnected. The EIC and CTC can provide the support many families need to keep on top of household bills.

Utility companies have experience helping customers avoid service shut-offs. They communicate with large numbers of low-income households each month and are well-positioned to help low-income families understand the advantages the tax credits provide. They also have direct contact with businesses in the community — their corporate customers — and can encourage them to join tax credit outreach activities.

### Strategies

Identify a champion within the local utility company to spearhead corporate involvement in your Tax Credit Outreach Campaign. This could be an executive in charge of consumer affairs or customer service. An outreach partner from the United Way or Chamber of Commerce may be able to introduce you to the right person. Once you have made the connection, suggest ways the utility company can help to enhance the campaign. They can be encouraged to:

- Insert tax credit information in monthly utility bills. “Bill stuffers” are a great way to reach all customers with basic information about the credits. Most companies decide on the content of bill stuffers a few months in advance, so plan ahead for a bill stuffer to reach customers in December or January, in time for tax filing season.
- Reach out to customers through direct mail. Utility companies may send special newsletters to customers in zip codes where eligible families reside. They may be able to target customers who have fallen behind in their bills or who have received energy assistance in the past. The mailings can explain the basics of tax credit eligibility and free tax filing and can include a list of VITA sites in the area.



Entergy Corporation,  
an electric company  
that serves over 2.7 million

utility customers, promotes the EIC across its service areas in Arkansas, Louisiana, Mississippi and Texas. Entergy distributes information on the tax credits by inserting notices in English and Spanish in the bills sent to its 2.2 million residential customers. EIC posters and brochures are displayed in customer service centers, and Entergy publishes an advocates’ newsletter in each of its states to engage organizations and faith-based groups in tax credit outreach. Entergy’s customer service staff helps customers who phone in for more information about EIC eligibility and informs them about the steps necessary to claim it. Entergy also places automated outgoing calls to customers to promote the credits and special events. For example, 1,300 customers received calls prior to a 2008 Super Tax Day event in Baton Rouge, which Entergy organized with community partners and the IRS. At the event, 192 people filed returns that brought them over \$235,000 in EIC refunds.

**Contact:** Linda Barnes, Entergy Corporation, (501) 377-3817 or lbarnes@entergy.com.

- Highlight the tax credits in consumer affairs broadcasts sponsored by the company. Some utility companies host consumer-oriented shows on local radio or TV. Designate a campaign partner to be interviewed. Invite a worker to talk about how the tax credits helped his or her family.
- Train customer service employees — especially staff in walk-in offices and those who handle billing inquiries — to promote the EIC, CTC and free tax filing assistance. To engage customers, display posters or produce a recorded message that plays while a caller is “on hold.”
- Alert their own employees to the tax credits by mounting posters in employee lounges, inserting information in paychecks or publishing an article in the employee newsletter. Employees who do not qualify themselves can tell family and friends about the credits. These channels also can be used to recruit volunteers.
- Provide resources to support the campaign in general. Utility companies may be able to offer direct or in-kind support such as printing or loaning laptops or donating them when company equipment is being replaced.
- Incorporate tax credit information when helping promote energy payment assistance programs such as the Low Income Heating and Energy Assistance Program (LIHEAP), a federal program that helps low-income individuals pay utility bills to avoid shut-offs.

## **FACT:**

*A survey of EIC recipients conducted by Syracuse University’s Maxwell School of Citizenship and Public Affairs have found that “paying back utility bills” is one of the top ways workers spend their EIC refunds.*

## ***Glad You Asked That!***

**Q:** I am eligible for energy assistance through the Low Income Home Energy Assistance Program (LIHEAP). Will the EIC or CTC reduce the amount of assistance I can get?

**A:** Since the CTC does not count as income in determining eligibility for any federally funded program, it will not affect your LIHEAP eligibility or the amount of your benefit. However, each state sets its own rules with respect to the EIC and LIHEAP. Therefore, some states may count the EIC as income when determining eligibility for LIHEAP. Check with your local energy assistance program. *For contact information, visit this state-by-state listing of LIHEAP programs: [liheap.ncat.org/links.htm#State%20Government](http://liheap.ncat.org/links.htm#State%20Government). To help workers in need of energy assistance, visit [www.liheap.org/assistance.html](http://www.liheap.org/assistance.html) for information on how to apply for LIHEAP.*



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