

RAISE TEXAS ACTION SUMMIT

MOVING TEXANS TOWARD FINANCIAL SUCCESS

Community Tax Centers Workgroup Notes **Beaumont Room**

April 29, 2008

Purpose: To share best practices that can be replicated locally, and create a collective Action Plan

Brainstorming Session

Advocacy Strategies
Compare Models
Volunteer best practices
How to manage growth/quality
Support on tax law & other legislative issues
Competing with paid preparers
Outreach / 2-1-1
Recognition

April 30, 2008

Agenda

- I. Agreements**
- II. Framing & Definitions-What is a community tax center?**
- III. Developing & Expanding Community Tax Centers**
- IV. Educating Taxpayers – Outreach efforts**
- V. Legislative Advocacy**
- VI. Adjourn**

I. Agreements

Group agreed to the following:

- Produce an action plan**
- All join in, participate, volunteer, follow-up**

II. Framing & Definition

Objective: Discuss what community tax centers are

Characteristics of Differing Models

Link to other services	Taxes Only
Professional Feel	Volunteer
Paid Staff	Volunteers
Web Base	Traditional
Self Prepared	
Facilitated	
Private/non-profit partnership	Tax Wise
Proprietary Software	
Not Affiliated with IRS	IRS Affiliation
Year Long	January - April
Community-Based org.	Retail space
Just taxes	Education & Counseling
Rural	Urban
Fixed sites	Mobile
AARP	VITA
"Tax Center"	"VITA Center"
"Tax Aide", "Money Tree"	"Specific agency name"

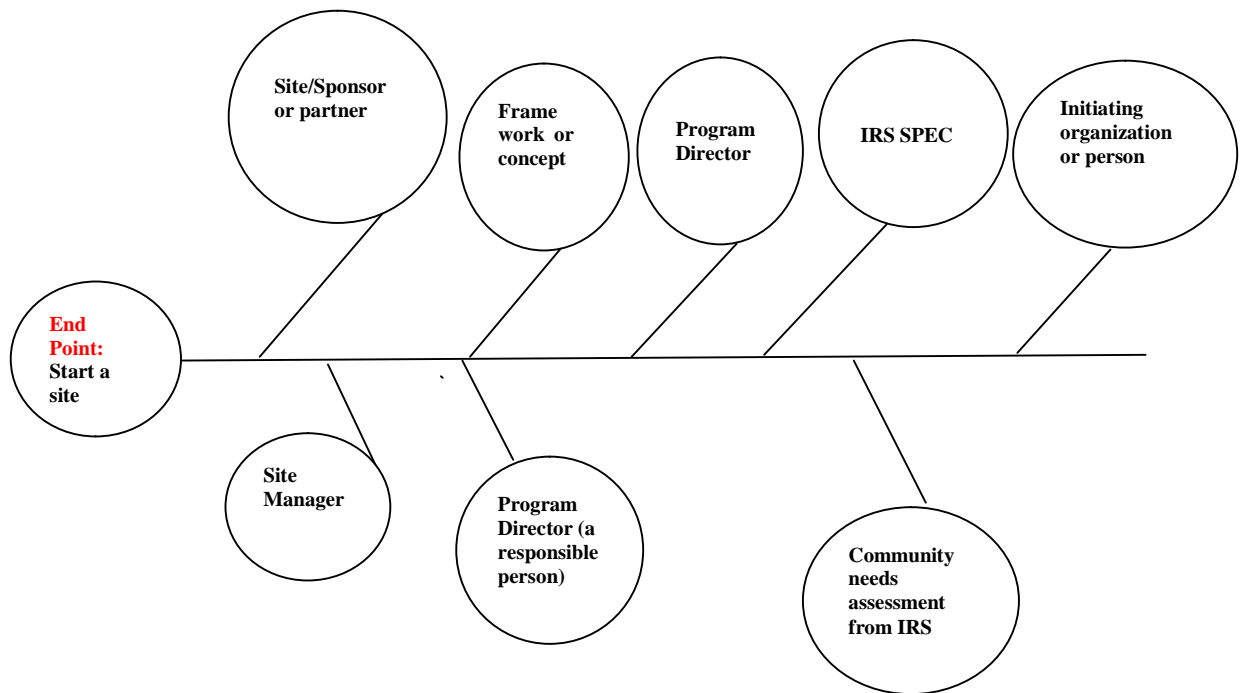
III. Developing & Expanding

Objective: To identify requirements and potential sources of resources needed to start a new CTC or expand an existing one.

A. What's Needed:

1. Site/Site Sponsor Promote – Recruit Site Managers and Volunteers
2. Site Manager
3. IRS – has a 911 form to help speed up the tax payers return time.
4. Funders – center sponsorship
 - United Way Financial Stability Partnership
 - Use Return on Investment (ROI) argument - Decrease burden on social safety net
 - Banks – local government

Figure A below: Action steps for starting a new site (beginning on the right)



Role of the IRS

- Identify needs – materials for training
- Software (No training from the IRS in the beginning)
- Link with partners
- VITA grant program; 8 million was granted for the program nationally
- July IRS.gov/ 60 day window
- Match
- Data

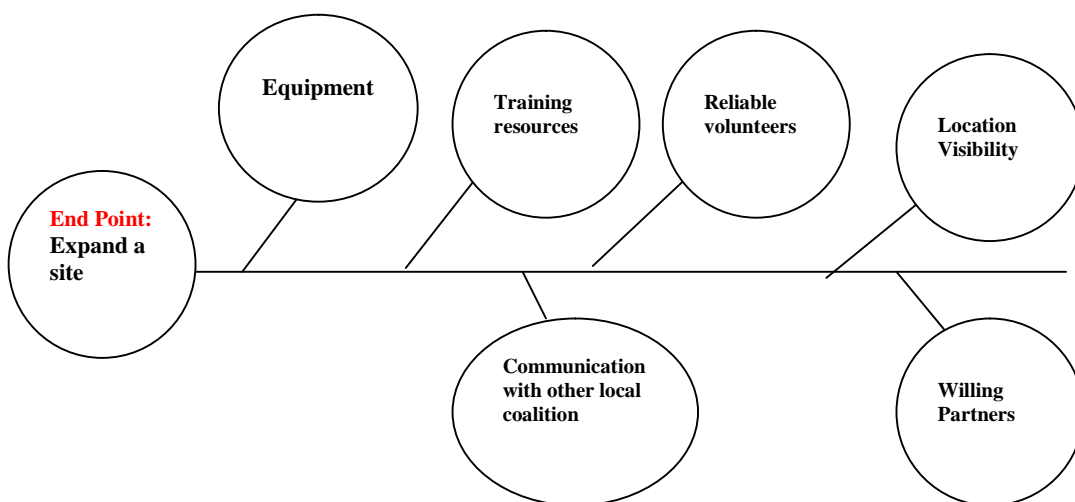
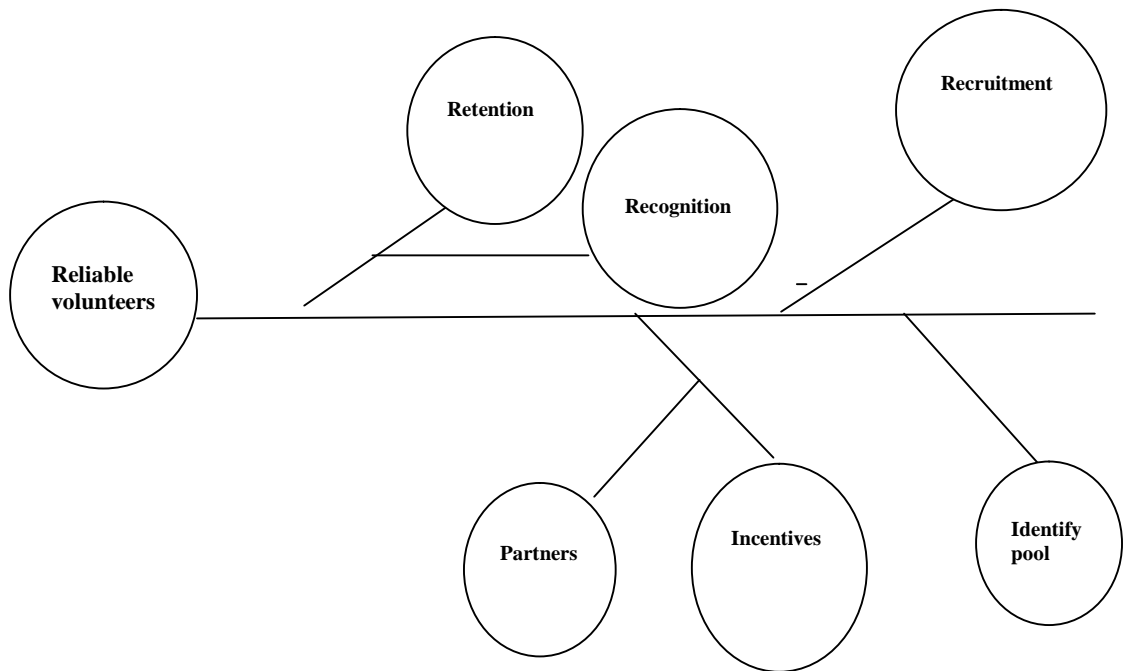


Figure B above: Resources needed to expand a site (right to left)

Figure C below: Resources and actions needed to develop reliable volunteers (right to left)



Developing and Expanding - Key Learnings & Action Steps:

- Need to develop own Training & Equipment
- RAISE TX Agenda Item: Need to develop better dialogue with IRS (Lead Elizabeth Colvin). IRS has abandoned 678.
- RAISE TX Agenda Item: State-wide shared training (Lead Michael Goeken)

IV. Education (outreach)

Important Issues

- Timing
- Distribution of printed materials
- Print vs. Electronic media
- Choosing a message
- Financial literacy
- How differs between existing and new centers
- Language
- Partnerships
- Outreach vs. EIC education

EIC Education	What Didn't Work	Message	Media
By Coalition	Fall Financial education class 8% returned for preparation	Simple 3 words	In kind
Non-profit		"free tax prep"	Buying & Negotiate in kind
City and/or County		"Go w/VITA"	Ad on transit
For Profit		Language	Opportunity for pro bono
Faith Based		Repetitive	PSA-Get Students to do in-kind productions
June - September			Local programs
Outreach to employers			Find city expert in coalition
Social Services Agencies / Case Manager Inform Clients			School system/school system radio
Housing Authority			Press conference

Education - Key Learnings:

- Need to track effectiveness
- Show ROI (Return on Investment)
- W-2's - SU
- Need to compete with RALS
- Experience observation from the field: People use RAL to pay for tax preparation. If prep is free they don't need the RAL
- Still battling lack of awareness

Focused Discussion: Why are we still battling the general lack of awareness of these services?

- Community Tax Centers (CTC) does not begin marketing soon enough
- Unfair competition. CTC does not have the products the customers want/need.
- Illiteracy
- Lack of computer access
- CTC does not open until e-file portal does. By then many tax payers have already used paid preparer.

V. Legislative Advocacy

Objective: To identify and plan for engagement of elected officials at state and local level to champion CTC.

Role of Elected Officials:

- Legislation
- Suggestion for new legislation: Limit the fee charged by preparers to withholding amounts
- Villarreal has legislation on the shelf – has offered his support

Action to consider:

- Hire professional lobbyist
- Use a partner's lobbyist
- Get Cities and other local political units on board with our agenda, and leverage their lobbying abilities at the State and Federal levels.

Legislative Advocacy - Key Learnings & Action Steps:

- Rep. Michael Villarreal is a champion in the House
- Need to find a republican Senator
- Roy Nash has agreed to do the initial research on this issue.
- Pushing our agenda will require each member of RAISE TX to cultivate your local representatives.