Welcome and Introductions

Joy Bivens
Deputy Administrator for Health and Human Services
Franklin County, Ohio
Introduce yourself in the chat!

Keep your eyes on the chat box for links to resources

Use the Q&A box to ask questions or email questions@naco.org.

The webinar is being recorded. The slide deck and recording will both be available on NACo’s website after the event!
Welcome and Introductions

Joy Bivens
Vice Chair, NACo Human Services and Education Subcommittee on Education, Children and Families; Deputy Administrator for Health and Human Services, Franklin County, Ohio

Changes to the Child Tax Credit under the American Rescue Plan

Elaine Maag
Principal Research Associate, Urban-Brookings Tax Policy Center

Exploring Community Partnerships

Rebecca Thompson
Director, Field Engagement & Tax Opportunity Network, Prosperity Now

County Model: “Tax Time”

Joy Bivens

Submit questions via the Zoom “question” box or by emailing questions@naco.org
Changes to the Child Tax Credit under the American Rescue Plan

Elaine Maag
Principal Research Associate
Urban-Brookings Tax Policy Institute
Understanding the Child Tax Credit

Recent *Temporary* Expansion

April 2021
Elaine Maag
Emaag@urban.org
American Rescue Planned Changed the Child Tax Credit

- Changes to the calculation
  - Maximum credit increased
  - Eligible population increase by 1 year
  - Fully refundable

- Change to administration
  - Advance payment
Maximum credit increased

- Previously, the CTC was worth up to $2,000 per child 16 and younger

- Now: Children under age 6: up to $3,600; children ages 6 – 17: up to $3,000.

- Previously, you needed to earn at least $2,500 to benefit at all – maximum tax refund was $1,400

- Now: full benefit to very low-income families – even those with no earnings!
Child Tax Credit 2020 and 2021

FIGURE 1
Child Tax Credit, Single Parent
For one child, tax year 2021


Notes: Assumes all income comes from earnings, and child meets all tests to be a CTC-qualifying dependent. $3,000 and $3,600 credits are fully refundable; prior law limited refunds to $1,400 out of the maximum $2,000 credit. Credit for married parents first phases out at $150,000 of income until credit reaches pre-2021 level; begins second phase out at $400,000 of income. Only citizen children qualify for the $3,000 and $3,600 credits for children under 18. Noncitizens under age 18 who meet the dependency tests of eligibility can qualify other dependent credit.
FIGURE 2
Average Benefits of Child Tax Credit for Tax Units with Children: Pre-ARP and Current Law

Administrative Change

• Typically, the CTC for low-income families is paid when tax returns are filed.
  - People are filing their 2020 tax returns now (in 2021)
  - Calculate how much credit they qualify for
  - Subtract that from taxes owed
  - Receive difference as refund (up to $1,400 per child)

• Payments – for tax year 2021- will start as early as July
Action items

- File a 2020 tax return
  - Basis for receiving advanced credit
- Update information in IRS portal
  - Child moves
  - Child is born
  - Marital status change
  - Significant change in income
- Can elect not to receive payments!
Benefits based on tax units

- One household may contain multiple tax units
  - Multigenerational household
  - Cohabiting couples

- Annual determination
  - Could think about part-year benefits;
  - Reduce emphasis on tax programs
  - Reduce reliance on characteristics that IRS can’t easily confirm
Exploring Community Partnerships

Rebecca Thompson
Director, Field Engagement & Tax Opportunity Network
Prosperity Now
rthompson@prosperitynow.org
Reducing Child Poverty Through the Child Tax Credit
Exploring Community Partnerships
April 6, 2021
Prosperity Now’s mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.
Taxes are a critical element of our country’s economy and tax time represents a significant moment in the financial lives of low-and-moderate income households.

The Taxpayer Opportunity Network (TON) connects, strengthens and inspires community tax programs so they can effectively and efficiently deliver critical tax assistance, couple that assistance with other financial capability services and advocate for fairer tax policy.
The Results are in…

2020 Tax Season

- **1,053,941** Federal Returns Accepted
- **$1,757,561,317** Refunds
- **295,768** EITC Returns (28%)
  - **$590,566,719** EITC Refunds
- **153,167** CTC Returns (14.5%)
  - **$192,858,592** CTC Refunds
- **QSS Results 94.33% Accuracy**
- **3,666 VITA Sites**

*TaxSlayer Sites Only through Nov. 3, 2020*
2021 Tax Season

- 2,893 VITA Sites (21% decrease)

- Menu of Service Delivery Options
  - Virtual: GetYourRefund.org; other virtual processes implemented at the local level
  - DIY: MyFreeTaxes.com, IRS Free File
  - DIY with Coaching
  - Drop-Off
  - Limited in-person (by appointment)

- Special Considerations:
  - COVID-19
  - Prior Year Returns
  - Economic Impact Payment / Recovery Rebate Credit
  - EITC Lookback
  - Unemployment Compensation
  - Additional Premium Tax Credit
Opportunities for Engagement

- **Low-Touch**
  - Spread the Word
  - Volunteer Recruitment
  - Posters/Flyers/Website
  - EITC Awareness Day

- **Medium-Touch**
  - Make Room
  - Join the local/state VITA coalition

- **High-Touch**
  - Transform your space
  - Engage Staff as volunteers
  - Integrate EITC messaging into staff/client touch-points

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**SPREAD THE WORD**

Connect with your local VITA partner to obtain their marketing materials. Printed marketing materials may include posters, flyers, door hangers, etc. Many VITA partners also have electronic media and social media messages.

1. Decide which and what type of marketing materials are best suited for your location.
2. Ask about the location of the nearest VITA tax site to make it easy for your clients.
3. Inform all staff of the availability of VITA tax preparation services and the location of the nearest tax site.
4. Post the marketing materials throughout your location and share marketing materials at the meetings and interactions with clients and staff.

**TRANSFORM**

Do you have extra office space or an unused conference room? If so, your location may be a great opportunity to transform your office or service spaces into a standing room throughout tax season or 90 days before. Here are four ways to successfully transform your office space:

1. **Low-touch**
   - Spread the Word
   - Volunteer Recruitment
   - Posters/Flyers/Website
   - EITC Awareness Day

2. **Medium-touch**
   - Make Room
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3. **High-touch**
   - Transform your space
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**HELP WANTED!**

Volunteers are always needed to serve in a variety of capacities to help with scheduling appointments, greasing tax preparation, preparing tax returns, and managing tax sites. Keep an eye out for potential volunteers and refer them to your local VITA partner for more information on how they can give back to their community through the VITA program.

No experience? None needed! VITA partners will train volunteers to meet the requirements and pass any certification tests necessary to volunteer with the program.

The Taxpayer Opportunity Network team is available to coordinate an introduction to your local VITA provider if needed.
Now, Soon and Later

- **Now:**
  - Connect with local/state VITA program leads
    - [https://prosperynow.org/map](https://prosperynow.org/map)
  - Collect Baseline Data
    - Where is the needle in your county?
    - Who/where are the most vulnerable and underserved in your county?
    - What resources are available and needed to serve them?
  - Choose Your Adventure
    - What do you have the capacity to do for the remainder of the 2021 Filing Season?
    - What do you have the capacity to do in 2022?
  - Define success for your community and your level of engagement

- **Soon:**
  - Develop and execute a strategy for the 2022 filing season
  - Look for additional ways to support and engage

- **Later:**
  - Data Collection, evaluation and planning for 2023
Additional Resources

- Check out your local community data: Prosperity Now Scorecard

- Key findings from interviews with VITA practitioners and with funders that support EITC and VITA programs: Maximizing Partnerships: Collaborations that Strengthen the Impact of the EITC and VITA

- Learn about the impact the pandemic is having on SNAP recipients: FEB 2021 COVID Pulse Survey | Propel (joinpropel.com)
Thank You!
County Model: “Tax Time”

Joy Bivens
Deputy Administrator for Health and Human Services
Franklin County, Ohio

NACo Webinar | Reducing Child Poverty through the Child Tax Credit | April 6, 2021
About Tax Time

- Coalition of nonprofit, business and government organizations providing free tax prep and other services to low-income county residents
- Combines United Way’s VITA Program and AARP’s Tax Counseling for the Elderly Program under one umbrella
- Receives dedicated funding from Franklin County Board of Commissioners
Impact

137,000 Central Ohio residents served since 2006

$147 million in tax refunds

Estimated $28 million in tax preparation fees saved
Outreach Strategies

• Earned media (TV, Radio)
• Community organizations – flyers, referral lists
• Participating in community facing meetings
• Social media
• Targeted Mailings
Adaptations during COVID

• Virtual platform
• IRS-certified volunteers prepare and submit electronically filed returns
• Residents can call 211 or visit www.TaxTimeCentralOhio.org
Ask your questions using the Zoom “Q&A” feature or by emailing questions@naco.org
NACo Staff Contact

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Thank you for joining!