

# Memorandum



DATE March 4, 2010

TO Honorable Members of the Quality of Life Committee: Pauline Medrano (Chair), Vonciel Jones Hill (Vice Chair), Carolyn R. Davis, Angela Hunt, Sheffie Kadane, David A. Neumann, Steve Salazar

SUBJECT Earn It! Keep It! Save It! Free Tax Preparation Services

On Monday, March 8, 2010, you will be briefed on the Earn It! Keep It! Save It! Free Tax Preparation Services by Susan Hoff, Senior Vice President Community Impact of United Way Metropolitan Dallas, Julian Huerta, Director of Programs Foundation Communities, and Cynthia Yung, Vice President for Grants at The Boone Family Foundation. The briefing material is attached for your review.

If you have questions or need additional information, please let me know.



Forest E. Turner  
Assistant City Manager

cc: Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Deborah A. Watkins, City Secretary  
Thomas P. Perkins, Jr., City Attorney  
Craig D. Kinton, City Auditor  
Judge C. Victor Lander, Administrative Judge Municipal Court  
Ryan S. Evans, First Assistant City Manager  
A.C. Gonzalez, Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Frank Libro, Public Information Office  
Helena Stevens-Thompson, Assistant to the City Manager



# Earn It! Keep It! Save It!

## Free tax preparation services

City of Dallas Quality of Life Committee  
March 8, 2010

# Earned Income Tax Credits



- Opportunities
  - **\$1.58** in local economic activity from each \$1 of EITC
  - **Up to \$5K** in increased credits over the next two years for a family with two or more children, thanks to ARRA
- Challenges
  - **\$1.4B- \$1.9B** unclaimed EITCs in Texas annually
  - **20-25%** of eligible individuals do not file claims because unaware that they:
    - Are eligible
    - Need to file a tax return to receive credit
  - **\$350M drained from total refunds** because 2/3 of Texas EITC filers paid for costly refund anticipation loans or checks

Source: Center for Public Policy Priorities No. 09-367

# Sample Human Impact

Single mother  
with 2 kids

\$18,000  
annual income

\$5,000  
EITC refund

28% increase

Family with 3  
kids

\$26,000  
annual income

\$4,500  
EITC refund

17% increase

**VITA community  
tax centers  
provide free tax  
prep and EITC  
filing**

# 2009 VITA Site Tax Returns



City / County	# Tax Returns	\$ Refunds (in Millions)	# of Sites	Returns per Site
San Antonio	39,000	\$76	31	1,258
Austin	17,000	\$26	10	1,700
Houston	17,000	\$23	17	1,000
Dallas	4,500	\$7.5	29	162
Tarrant County	1,500	\$2.5	8	188

Source: Estimates from various sources

# Best Practices from Benchmark Cities



Sites scaled for  
>1,000+ returns

Convenient,  
consistent hours  
5-7 days/week

Lead agency  
with paid staff

- **Initiated by Mayor Tom Leppert – Fall 2008**

- **Partners**

United Way

Citi

Dallas Foundation

FedEx Office

Thomson Family Foundation

IBM

Federal Reserve

IRS

Ernst & Young

KPMG

Deloitte

- **500 + Community Volunteers**



# 2009 VITA Results



Council Member	# of VITA Sites	# of Returns Filed at VITA Sites	\$ Refunded from VITA Sites
Angela Hunt	2	206	\$261,733
Carolyn Davis	7	614	858,087
David Neuman	6	654	1,155,348
Delia Jasso	1	41	98,936
Jerry Allen	2	95	129,359
Pauline Medrano	4	1,595	2,548,742
Steve Salazar	2	159	240,942
Tennell Atkins	2	423	741,239
Vonciel Jones Hill	4	846	1,351,895
<b>TOTAL</b>	<b>30</b>	<b>4,533</b>	<b>\$7,386,881</b>

# 2010 Earn It! Keep It! Save It! Goals



Serve 10,000  
families in  
Dallas

Bring  
\$15,000,000+  
into local  
economy

# 10,000 Challenge

**Double capacity**

- 5,400 additional families

**Replicable model**

- 20,000 in 2011
- 40,000 in 2012

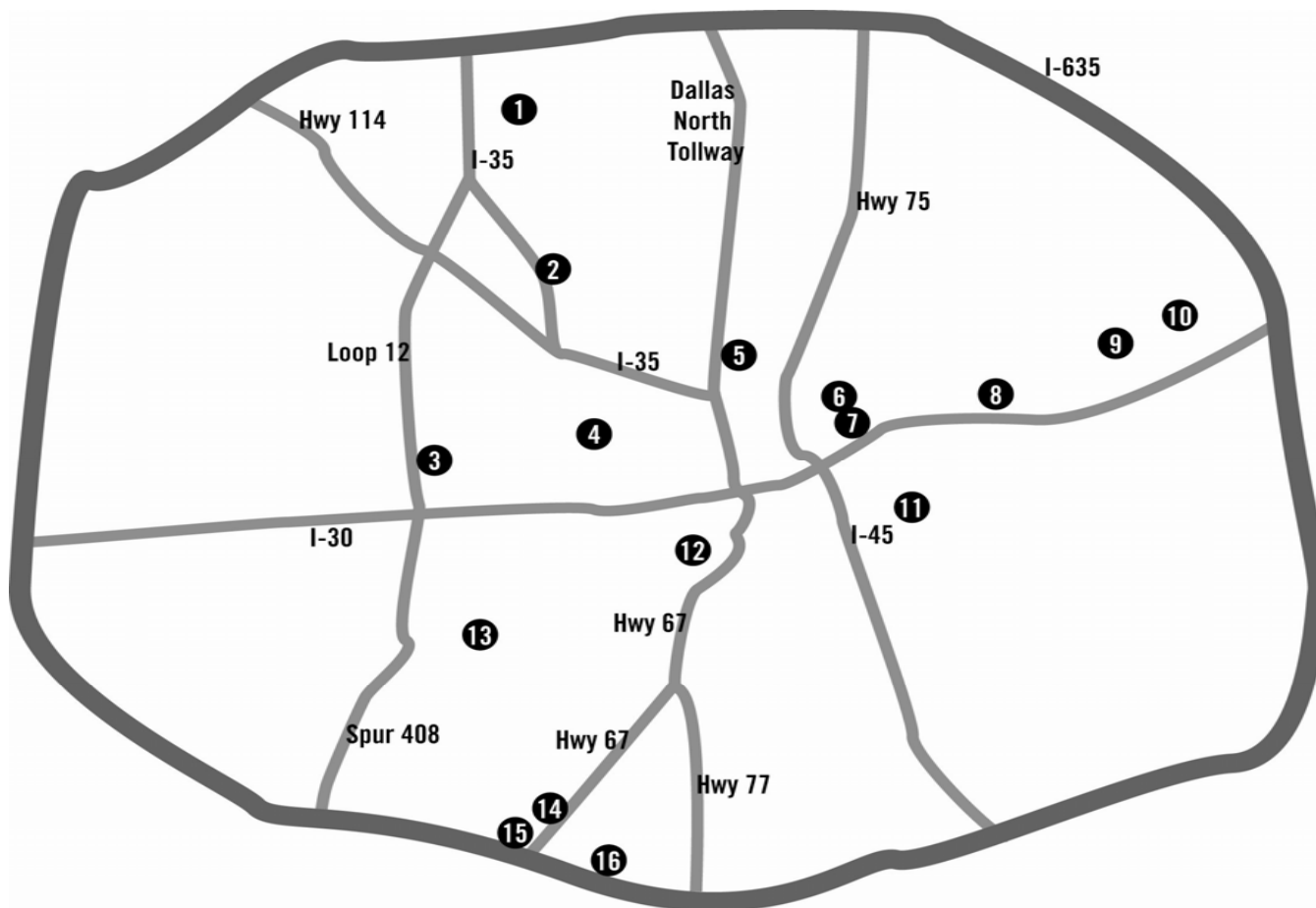
**United Way**

- Coordination
- Volunteer recruitment

**Foundation Communities**

- Lead agency in Austin
- Joined Dallas in 2010

# 2010 Locations



# United Way Volunteer Recruitment



- **500+ Volunteers Recruited**
  - Corporate
  - Students
  - Individuals
  - Retirees
- **Time Commitment**
  - Request 25 hours during tax season
- **IRS certification trainings provided**
- **Volunteer Roles**
  - Tax Preparers
  - Translators
  - Intake Workers

# Foundation Communities



## Lead agency in Austin

- Operating 9 sites
- Prepared 17,000 tax returns in 2009

## Partners in Dallas

- The Boone Family Foundation
- Carl B. & Florence E. King Foundation
- The Meadows Foundation
- Harold Simmons Foundation
- Bank of America



# Foundation Communities



- Four locations in Dallas:

<b>East Dallas Community Center</b> 4210 Junius Street Dallas TX 75246	<b>Oak Lawn Community Outreach Center</b> 3707 Cedar Springs Rd Dallas TX 75219
<b>Southwest Workforce Center</b> 7330 S. Westmoreland Dallas TX 75237	<b>North Dallas Shared Ministries</b> 2857 Merrell Rd Dallas TX 75229

- Most sites open at least 40 hours per week, including evenings and weekends
- Paid site managers and intake specialists at each site
- Bilingual (English-Spanish) staff at all locations

# Outreach Efforts



**Utility bills**

**Dallas ISD**

**211**

***Al Dia***

***The Dallas  
Morning  
News***

**Television  
and radio**



## Tell constituents

- Newsletters
- E-news
- Speaking engagements
- Press



# Thank You!

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