

Tax Time Thursday with AARP Foundation

Outreach Reference Guide

Presented by the Center on Budget and Policy Priorities' Get It Back Campaign

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Who We Are

- **AARP Foundation**
 - Serves vulnerable people 50 and older by creating and advancing effective solutions that help them secure the essentials
- **AARP Foundation Tax-Aide**
 - AARP Foundation Tax-Aide provides in-person and virtual tax preparation help to anyone, free of charge, with a special focus on taxpayers who are over 50 and have low to moderate-income
 - Operates more than 3,260 tax sites
 - Powered by 25,316 volunteers

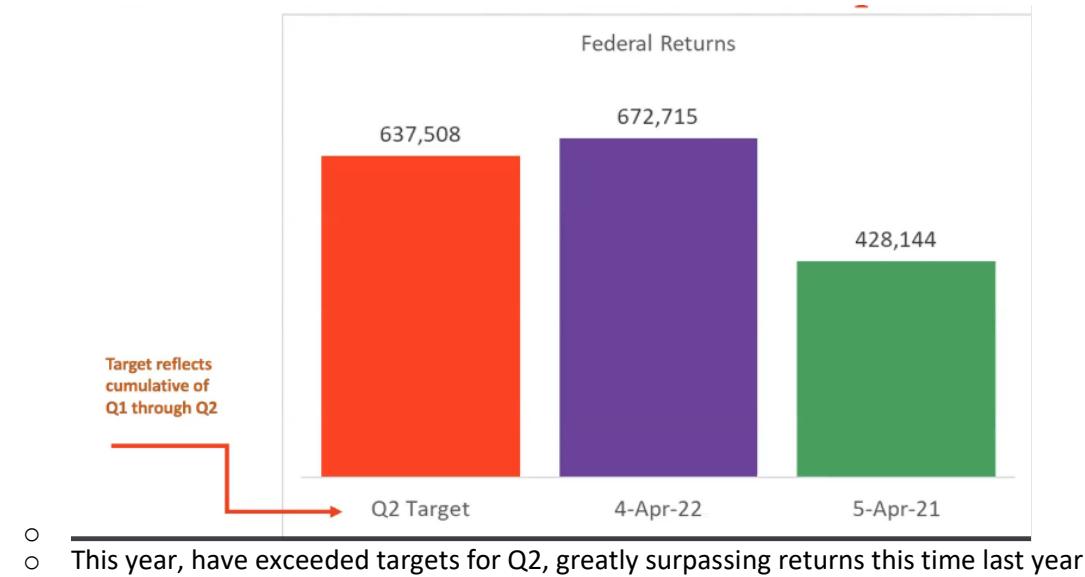
Outreach

- **Goals of outreach:**
 - Increase number of tax filers who qualify for the EITC
 - Increase capacity of local organizations so more older Americans can access free tax support and build behavior change
 - Many older workers are single women doing odd jobs, self-employed
 - AARP Foundation is doing research on what leads to behavior change among non-filers
- **Using both analog (call center, etc) and digital (digital landing page) to give information on how to access EITC, eligibility, and direct them to tax assistance**

- Measure engagement – trying to connect people all the way through to receiving help with tax filing
- **How to change the narrative of taxes**
 - It's not a yearly action around tax season, it's something that happens throughout the year
 - In test markets, collected 1200 leads – looking at individual-level survey to better understand barriers that people face
 - How to localize resources, how to do a warm hand-off
- **Working with grantees – some learnings:**
 - One thing learned – the amount of returns and EITC refunds are well ahead of last year
 - In some areas of the country, especially with high immigrant populations, learning that sometimes it's not about lack of understanding around EITC, there's a lack of understanding around taxes in general
 - In other parts of the country, starting to see signs of older workers picking up odd jobs to support other family members
- **Results from the 2021 Tax Year**
- **AARP Tax-Aide offers several service models that have served 910,341 people served as of April 4, 2022**
- **Results (not including self-file)**
 - Drop off – 389,507 – very popular
 - Mix-models – 160,875
 - In-person – 64,343
 - Virtual – 42,696 (includes several subsets, including one scan and two scan)
 - Remote FSA Coaching – 1,528
 - Unknown – 14,294
- **AGI by age**

	All Taxpayers	Low Income
Age 50+	\$32,950	\$16,401
Age 50-64	\$36,032	\$19,921
Age 65+	\$32,255	\$15,497
Age 25-49	\$35,770	\$25,843
Age 18-24	\$16,570	\$14,676
Age 19-24	\$17,220	\$15,256
Age 18	\$8,065	\$8,053
Under 18	\$6,966	\$5,454
○ All AGI	\$32,880	\$16,871

- **Target goal is to reach those low-income, age 50+ (LI 50+)**
 - 54.18% of clients were LI50+
 - Goal to increase to 65% by 2026 – reason for program promotion/marketing
 - Looking at the chart, the darker numbers represent the higher-income populations
- **6-year strategic plan with key targets**



- **Target and Year to Year Comparison – Refunds**



○ ***Includes EITC**

○ **Target reflects cumulative of Q1 through Q2**

- On track to reach or exceed the targets for the program

- **Target and Year-to-Year Comparison – EITC**



○ **Target reflects cumulative of Q1 through Q2**

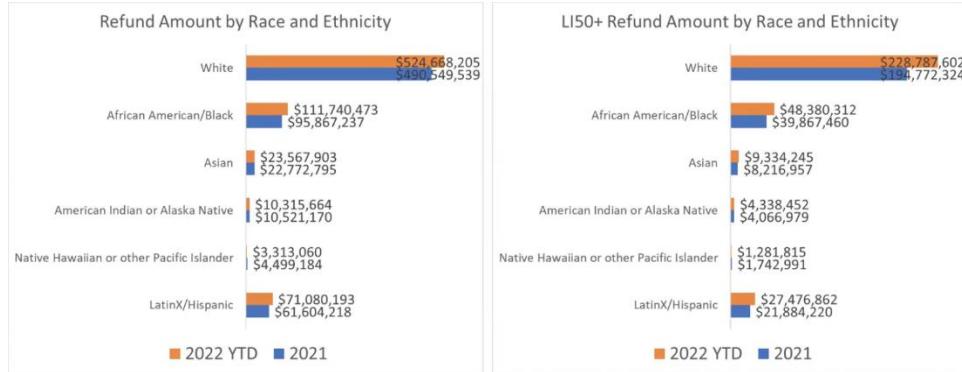
- For overall population, \$118 million in EITC – far exceeds target
 - This is partly due to the EITC expansion and greater amount for Tax Year 2021

- **Federal Refund Year to Year Comparison by Race and Ethnicity**

- Efforts are underway to get laser focus on people of color

- But this year almost all groups had an increase in refunds received, except for the Native Hawaiian/Pacific Islander group

- Fewer sites operating this year in those areas



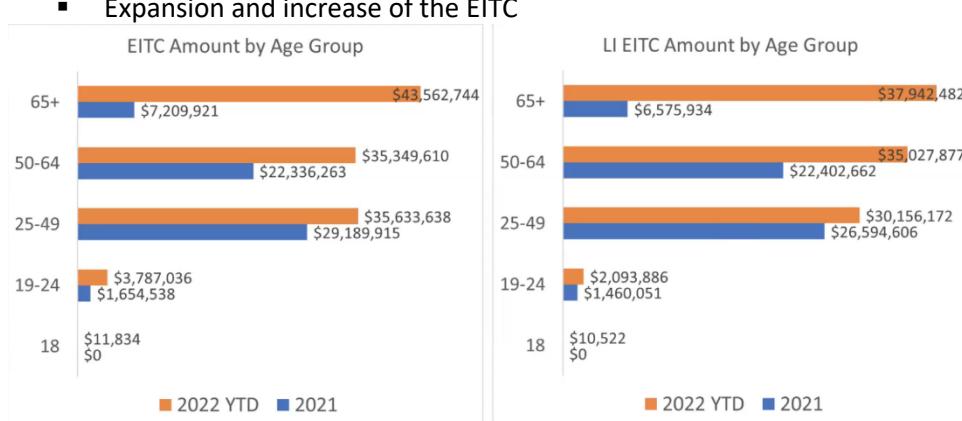
- **Federal Refund Average Amount by Age**

- Many in the 25-49 qualified for both the Child Tax Credit and the EITC

	All Taxpayers	Low Income
Age 50+	\$1,019	\$904
Age 50-64	\$1,357	\$1,422
Age 65+	\$943	\$771
Age 25-49	\$2,721	\$4,640
Age 18-24	\$1,313	\$1,785
Age 19-24	\$1,395	\$1,917
Age 18	\$240	\$300
Under 18	\$181	\$231
All Refunds	\$1,083	\$1,085

- **Federal EITC Year-to-Year Comparison by Age Group**

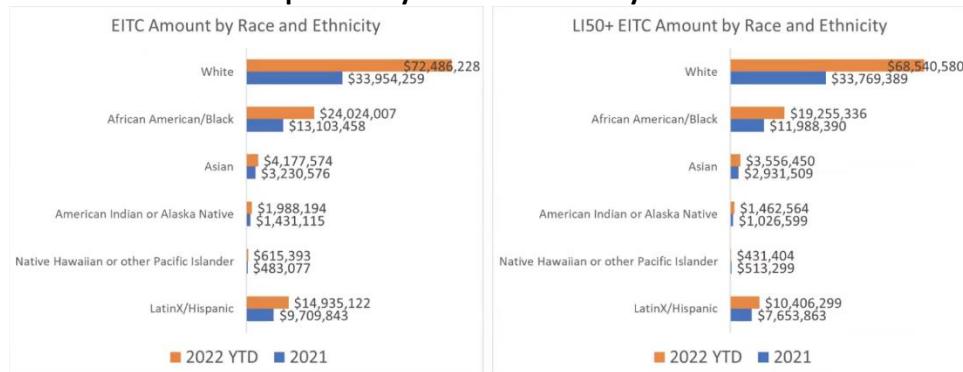
- Included information who are 18 years old
 - Covid trends have lowered allowing people to receive in-person tax services
 - Expansion and increase of the EITC



- **Federal EITC Average Amount by Age**

	All Taxpayers	Low Income
Age 50+	\$142	\$233
Age 50-64	\$346	\$548
Age 65+	\$96	\$152
Age 25-49	\$797	\$1,722
Age 18-24	\$401	\$590
Age 19-24	\$430	\$639
Age 18	\$22	\$39
All EITC Recipients	\$183	\$308

- **Federal EITC Year-to-Year Comparison by Race and Ethnicity**



- **In closing**

- Delighted to see value of refunds have increased for all people served
 - By helping them maximize refund, they'll be able to take care of their needs
- Moving forward, will dig deeper into data about EITC metrics and insight
- As tax season ends, will be reviewing taxpayer satisfaction survey review to see how people use their refunds
- In addition, will be launching a competitive grant geared to organizations and coalitions that prepare tax returns that focuses on securing tax refunds for low-income taxpayers who are 50 and older
 - Launched in early May 2022

- **Q&A**

- I am thinking about all the grandparents who are raising their grandchildren. How can they best maximize their refunds and who should I refer them to?
 - Many of those adults fit in that 50 and older age group who qualified for the EITC. Most of the free tax prep services educate the taxpayers as they go through the return process. It would be helpful to partner with those organizations; they do an excellent job of helping educate.
 - In terms of outreach, this is a group that we really want to target. Most grandparents do not think of the EITC as something they qualify for. AARP wants to shift the trust through local providers. The local navigation is critical AARP Foundation is going to set up a call center for people to get personalized help.
- Are there other subsets of older adults, in addition to grandparents raising grandchildren, that you think are important for groups to think about and to reach?

- We pay special attention to widows.
 - If significant other recently passed, they have at least 2 years to claim married filing jointly.
- What is the tax software that AARP directs folks to use?
 - For full self-preparation we point taxpayers to Online Taxes because the scope and age group for the free software is broader. For all of our other models we use TaxSlayer.
- I am curious about what kind of messages you have found that reach older adults who are immigrants
 - We do locally-based sponsored news segment where we get a volunteer to tape a 3-5 min spot in Spanish and English. They produce these segments during morning shows or afternoon shows.
 - AARP also has state offices across the country that hand off materials to local partners.
 - One of the grantees in the Philadelphia area in Chinatown works on helping overcome language barriers.
 - These immigrant groups don't know about free tax filing services and think they need to pay for tax preparation.
- Have you developed any materials to address questions and misconceptions older adults may have about filing taxes? For example, some think that if they receive Social Security benefits, they are not allowed to file a tax return.
 - We do have some of these materials internally
 - We encourage individuals to file even if they only have Social Security benefits. There are benefits that they can leverage from their local municipality or state.