



# Free Tax Preparation Services in the US

#DC EITC Forum  
February 28, 2020



**TAXPAYER OPPORTUNITY NETWORK**

@ProsperityNow  
[prosperitynow.org](https://prosperitynow.org)



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# Who We Are



## Our Vision...

Millions of empowered low-to- moderate  
income taxpayers leverage the benefits  
derived from the tax code to increase their  
financial security

# Our Mission...



# Our Goals...

**Increase the # of low-income taxpayers, especially those who qualify for EITC, who access free, high quality tax services**

**Increase the # of low-income taxpayers who access, and take advantage of, financial capability services and improve their household financial security**



# The Results are in...

1,379,406  
Federal Returns  
Accepted

\$2,020,909,548  
Refunds

371,607  
EITC Returns  
(27%)

\$636,341,595  
EITC Refunds

QSS Results  
98.65%  
Accuracy

More than 3,700  
VITA Sites  
Nationally



## Economic Impact: \$1 Billion

*\*TaxSlayer Sites Only through May 1, 2019*



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# The Results are in...

4,512  
Federal Returns  
Accepted

\$4,456,278  
Refunds

1,167  
EITC Returns  
(26%)

\$1,664,494  
EITC Refunds

QSS Results  
98.65%  
Accuracy

10 VITA Sites



## Economic Impact: \$1 Billion

*\*TaxSlayer Sites Only through May 1, 2019*



# Why our work is important

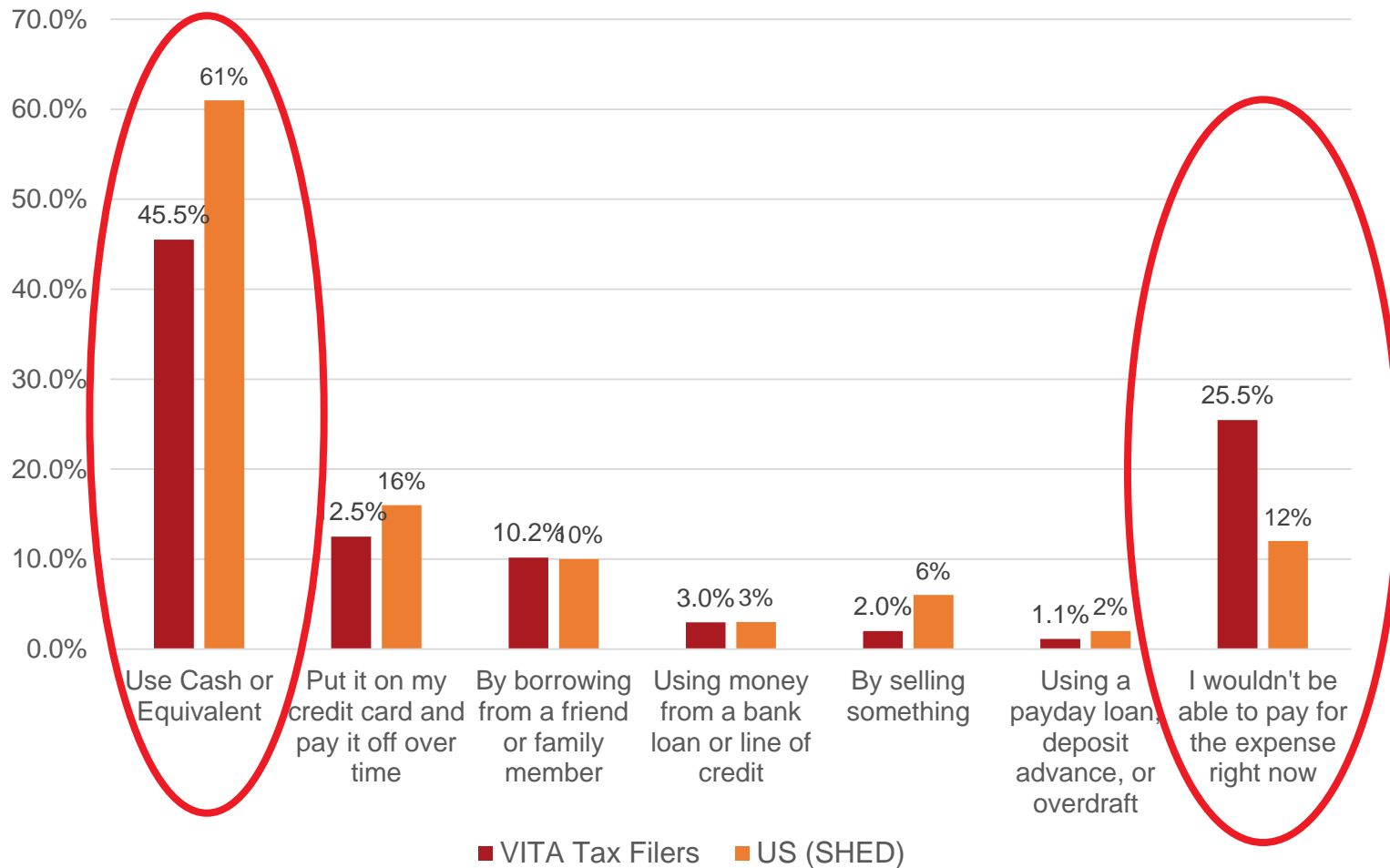
We asked taxpayers...

*“What’s the most important use for your refund?”*



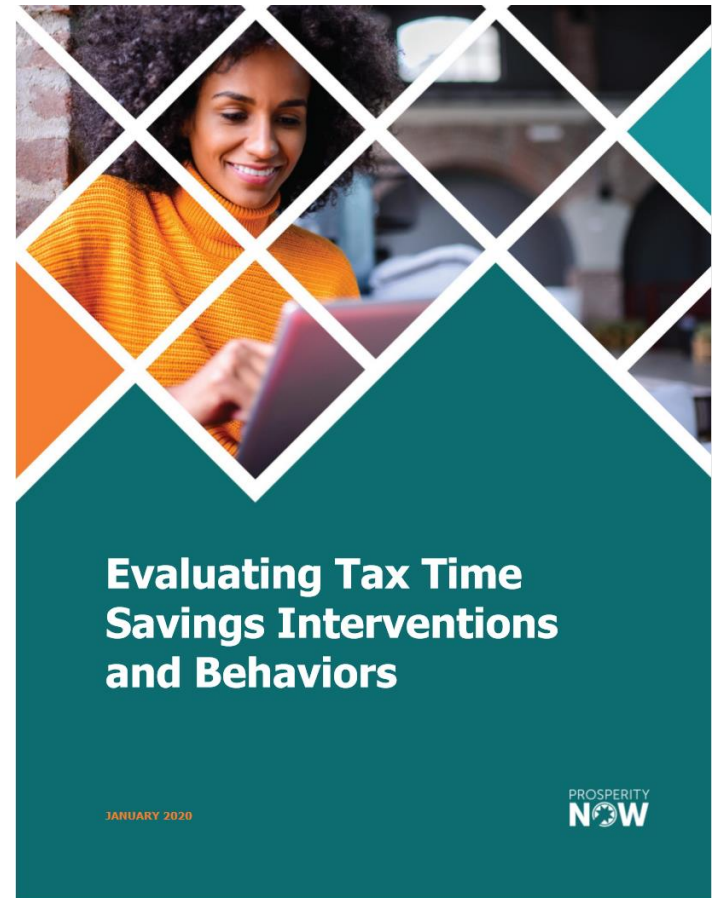
# Covering \$400 Emergency Expense

We asked... *"If you had a \$400 emergency expense, how would you cover it?"*



# Our work is important because...

- Although we learned...
  - LMI taxpayers are saving at least some of their refund at higher rates than previously thought or measured;
- And we learned...
  - Having savings on hand to help guard against financial hardship contributes to a higher sense of financial well-being
- We realize that saving some of the refund is challenging because...
  - LMI households are using their tax refund to “catch up” rather than to “get ahead”
- And it doesn’t help that...
  - Savings interventions and supports are not being consistently offered or implemented at VITA sites



# Why our work is important

- In Washington, DC (*Population: 277,985 Households*)
  - **32.1% of Households live in asset poverty**
    - ***Without sufficient net worth*** to subsist at the poverty level for three months in the absence of income - includes **durable assets, such as a home or business, which would need to be liquidated** in order to help cover day-to-day expenses.
  - **33.9% of Households are Liquid Asset Poor**
    - ***Not enough liquid savings*** to cover basic expenses for three months if they experienced a sudden job loss, a medical emergency or another financial crisis leading to a loss of stable income.
  - Median Household Income: \$77,649
    - Black: \$41,387
    - Latino: \$69,499
    - Native: \$48,438



# Save the Date...

**VITA Awareness Day**  
March 18th


“

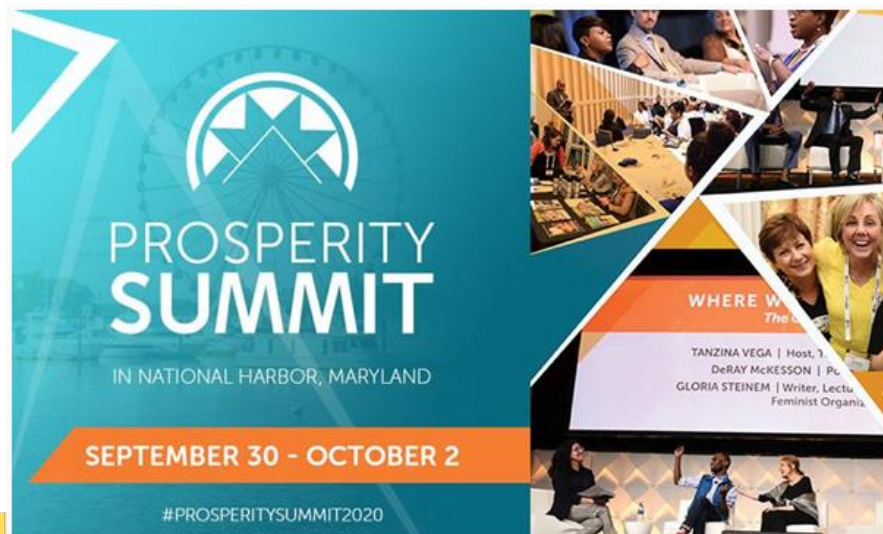
**I'm:**

**From:**

**And this is #MyVITAStory:**

”

  
Take your  
VITA-mins!





# Join Us!

<https://prosperitynow.org/get-involved/taxpayer-opportunity-network>



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