



## Navigating FAFSA & the EITC: How to Connect Families to Help *Reference Guide*

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

- **New Virtual Training Series**

1. This [presentation](#) launched a new training series that:
  - Features campaign partners' experience and expertise
  - Explores specific outreach strategies and skills that you can immediately apply to your work
2. If you would like to share your expertise in a particular area of tax credit outreach, please contact [eitcoutreach@cbpp.org](mailto:eitcoutreach@cbpp.org).

- **The EITC, VITA, and FAFSA Connection**

- Eligibility
  - [Earned Income Tax Credit](#) (EITC) – income less than \$53,267 for work in 2015

Number of children:	Single workers with income less than:	Married workers with income less than:	EITC up to:
3 or more children	\$47,747	\$53,267	\$6,242
2 children	\$44,454	\$49,974	\$5,548
1 child	\$39,131	\$44,651	\$3,359
No children	\$14,820	\$20,330	\$503

- [Volunteer Income Tax Assistance](#) (VITA) – generally, income less than \$54,000 (varies by community)
- [Free Application for Federal Student Aid](#) (FAFSA) – no income limit; based on financial need

- Tax filing requirement

- Must file a tax return to claim the EITC and to apply for financial aid. VITA sites specialize in providing this service.
- Timing
  - Tax season – End of January to April 15
  - FAFSA – [January 1 to June 30](#); **applicants must have their most recent tax return**

## ▪ **FAFSA Misconceptions**

Although many families are eligible for FAFSA, they do not apply. Here are some common misconceptions about FAFSA and the truth families need to know.

1. The application is too difficult.
  - Truth: help is available for families who are confused about FAFSA. There are many online resources and most schools now have specific departments to provide assistance. Also, the application has changed over the years and is more streamlined which aids in the process to complete it. Starting October 1, 2016, families can apply for aid earlier, allowing more time to complete the application.
2. If students have low grades they won't qualify for FAFSA.
  - Truth: eligibility for FAFSA is not based on academic performance.
3. College is not an option for some families because they can't afford it.
  - Truth: the goal of FAFSA is to make a college education affordable for all families. If parents are worried about debt and student loans, there are some forms of aid (such as Pell Grants) that do not need to be repaid.
4. Claiming the EITC will reduce the amount of financial aid awarded.
  - Truth: the EITC is counted as family income in determining financial aid eligibility. For many low-income students who work, or their parents, the EITC will have no effect on financial aid amounts or eligibility. Adding tax refunds to other income often will not push a student or family beyond the threshold at which they are required to contribute to the cost of education.

## ▪ **How Organizations Can Help Families**

Three opportunities to assist families:

1. Incorporate FAFSA promotion into tax credit outreach efforts
2. Organize FAFSA and tax filing help events
3. Establish an independent FAFSA assistance program

## ▪ **Promote EITC & FAFSA to Eligible Families**

The [United Way of Southern Cameron County](#) organized VITA sites in ten local high schools and trained 195 students to serve as volunteers. Through their connections with schools, United Way worked with FAFSA departments to promote the tax credits to low-income families.

### Tips

- Reach out and create relationships with local schools
  - Stress the many [benefits](#) for families claiming the EITC
  - Offer to provide materials or give presentations to schools
  - Get in contact with groups like the PTA to announce and promote the tax credits
- Get local schools to participate and assist with outreach efforts
  - Host a VITA site at a school
  - Train students in basic tax law to become IRS-certified tax preparers
    - Students gain valuable work and budgeting skills
- Promote [MyFreeTaxes.com](#) to families
- **Coordinate FAFSA Assistance with Free Tax Preparation Programs**  
*[Goodwill Industries of West Michigan](#) partnered with local [College Access Networks](#) to reach low-income families with college students who are potentially eligible for the EITC.*

### Tips

- Organize a joint VITA and FAFSA filing event for families to attend
  - Hold the event early in the tax season
  - Host the event at a location accessible for families, like a school or local community center
- Plan for success
  - Familiarize volunteers with the technology used
  - Approach local partners that can help conduct outreach to families
  - Provide thorough instructions on what is required to file both a tax return and FAFSA so families are prepared
- **Start an Independent Financial Aid Program**  
*In 2003 [Ladder Up](#) began offering FAFSA assistance at free tax sites and two years later developed a partnership with Chicago Public School District. Ladder Up now operates an independent financial aid program to help families complete the FAFSA.*

### Tips

- Create effective partnerships in your community
  - Local high school district(s)
  - State education agency
  - Local community colleges, technical schools, and universities
  - Non-profit organizations that work with families
- Key elements for an independent financial aid program

- Understand the local student population (i.e. which schools have undocumented students, eligible non-citizens, low-income families, etc.)
- Seek strong full-time and seasonal staff members
  - Should be flexible, accommodating, professional, and have past financial aid experience
- Use your resources
  - State education agencies can provide many resources, including training
  - National resources:
    - [U.S. Department of Education](#)
    - [Federal Student Aid](#)
    - [National Association of Student Financial Aid Administrators](#)
    - [National College Access Network](#)
- Provide training throughout the financial aid cycle
  - Cover other financial options (not just FAFSA) like scholarships
- **Questions and Answers**
  - **Question:** What are best practices for recruiting volunteers for FAFSA? Our VITA program is running smoothly, but this is our first year partnering with local organizations to offer FAFSA services.  
**Answer:**
    - Contact departments on college campuses
    - Promote the many benefits the EITC provides both for individuals and the community
    - Reach out to local community-service organizations
    - Seek partnerships with local banks and financial institutions
  - **Question:** What info do you need to complete the FAFSA?  
**Answer:**
    - To complete the FAFSA you need:
      - Social Security Number (and the numbers for parents, if a dependent student)
      - Driver's license number (if you have one)
      - Alien Registration Number (if you are not a U.S. citizen)
      - Your most recent federal income tax returns, W-2s, and other records of money earned. (Note: You may be able to transfer your federal tax return information into your FAFSA using the IRS Data Retrieval Tool.)
      - Bank statements and records of investments (if applicable)
      - Records of untaxed income (if applicable)
      - An FSA ID (this username and password is required to sign and complete the application electronically)
  - **Question:** What resources can be shared with families who are concerned about financing college?

**Answer:**

- Several resources are available including:
  - [College Scholarships](#)
  - [Federal Student Aid](#)
  - [U.S. Department of Education](#)
  - [The Student Loans Center](#)
  - [FinAid](#)

- **Question:** What advice can you offer to a new VITA site?

**Answer:**

- Start planning early – it almost always takes longer than you would think and there are usually curveballs
- Use data to get to know your community so you can adapt your strategy
- Partner with other organizations in your involved in tax credit outreach and free tax preparation in your area
- Additional resources:
  - [How to Start a VITA Site in Your Community](#)
  - [IRS Volunteer Site Coordinator Handbook](#)

- **Contact Information**

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