



Tax Time Solutions for Long-Term Financial Stability Training Reference Guide

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

Presenter Contact Information

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About Communally

Who they are

- Antipoverty technology company that combines technology with public policy research
- Public benefit corporation
- Mission: assist low- and moderate-income individuals and families to move from poverty to being able to make real financial choices
 - Focus on eradicating poverty instead of moderating its effects
- “Crisis to Choice” model
 1. Support basic needs (benefits)
 2. Increase income (employment and tax credits)
 3. Manage and save money (financial wellness)
 4. Gain the ability to choose (sustainable housing, education and employment)

The Benefit Bank (TBB), the EITC, and the CTC

In tax year 2016:

- TBB helped 40,000 filers at over 2,000 sites claim more than \$60 million in refunds
- 35 percent of all TBB federal tax filers claimed EITCs worth about \$24 million
- 13 percent of TBB filers claimed nearly \$6.5 million in Additional CTC refunds
- Estimated \$16.3 billion is unclaimed by taxpayers that fail to claim the EITC

The Benefit Bank

Connecting communities to resources

- Free to clients

- The only online application service that offers state-specific benefits eligibility screening, benefits application filing, and IRS-certified tax assistance and filing on a single streamlined platform
- Eligibility assessment availability
 - Benefits and taxes – OH, PA, SC, and VA
 - State and federal taxes – NC
 - Federal taxes – nationwide
- Benefit application and tax form completion
 - Federal benefit program applications and eligibility can be confusing; TBB offers a solution for checking eligibility and submitting forms without having to visit an office in-person
 - TBB is not a form filler—the tool analyzes applicant information to identify all programs he or she may qualify for through a question and answer process
 - TBB is administered through a network of sites at community partners, including nonprofits, faith-based organizations, and local governments

Impact

- Over \$50 billion goes unclaimed by American families in benefits each year because people don't know about programs they qualify for or struggle with the applications
- Since 2006, TBB has served over 1 million household members who received over \$2.5 billion in work and income supports

Using TBB for taxes

- IRS-certified assisted self-service model
 - Clients are guided through a series of Q & A options to fill out tax forms
 - Clarifying information is embedded about each question/option every step of the way
 - The questions that appear depend on clients' previous answers
- Electronic filing
 - Forms are electronically submitted directly to the appropriate state or federal agency
 - Users see the forms at the very end of the process and can review them for accuracy (including tax credit amount/refund estimate) before submission
- "Benefit eligibility check" is an option for clients at the end of the tax filing process
 - TBB asks a few additional questions to determine eligibility for multiple benefits and creates a benefit program eligibility summary at the end of the process

Return on investment

- For every \$1 spent on TBB (including outreach costs), up to \$43 is returned to the community through benefits payments, tax credits, and tax refunds
- Money from benefits, credits, and refunds tend to go right back into local economies

MyBudgetCoach

What is MyBudgetCoach?

- Online platform used to support or enhance one-to-one engagement with a financial coach
- Combines financial coaching wither personal money management

- Tax time is an opportunity for VITA sites to gently nudge clients towards savings programs
 - Can connect clients to MyBudgetCoach in the waiting room at a VITA site to directly engage them with staff and resources or provide a sign-up sheet
- One-on-one coaching
 - Can be delivered in-person or remotely
 - Coaching is supplemented by 12 interactive modules with homework clients can complete independently
- Suite of personal financial management tools
 - Applies the lessons provided by the coaching
 - Clients, coaches, and managers have different levels of access to the MyBudgetCoach site
- Uses real-time alerts to celebrate positive events and help clients track their budget goals
 - Coaches also receive notices; further connecting client and coach
- Beyond coaching sessions
 - Clients have independent access to the tools and content on the MyBudgetCoach site

Suite of tools

- “MyGoals” for savings and debt reduction tracking
 - Coaches and clients see progress in real time
 - Allows clients to set action-oriented goals like opening a savings account or writing a will
- “MyExpenses” to track spending and income
- “MyBudget” for setting spending goals with coaches
- All three available on both desktop computers and mobile devices

MyBudgetCoach is a proven solution

- Research shows that client outcomes were about the same for clients meeting with coaches through MyBudgetCoach in-person or remotely
- Higher levels of client engagement than comparable programs
 - Online programs make it easier for clients with limited time or mobility to engage in coaching on their own time

Questions

How do you identify new TBB sites?

- It’s a grassroots effort. Contact Communally if your state doesn’t have TBB
 - It takes about 9 to 18 months to develop a state-specific TBB platform
- MyBudgetCoach only needs a network of financial coaches to function—highly adaptable across states and regions

What are the plans for expansion for TBB?

- Communally is looking to expand, and rely on hearing from community organizations to inform expansion