

# A Tax Season Like No Other

**Navigating Tax Time & Financial Coaching**

March 16, 2021

**LSC**

# Housekeeping

- This Webinar is being recorded
- Copy of slide deck will be sent out with the record after the call
- All lines have been muted to reduce background noise
- We will take questions at the end but please write your questions into the chat box throughout the webinar
- Send any unanswered questions to your local program officer



# Agenda

Introduction

**Tax Policy (Lookback Provision & American Rescue Plan) –**

Jason Ewas, Senior Policy Manager – Commonwealth

**Document Management & Digital Literacy –**

Melanie Reyes, FOC Director – Ironbound Community Corporation

**Communication & Building Trust in the Community –**

Shaulonda Jones, Program Assistant – LISC Toledo

Q/A

The logo for LISC (Local Initiatives Support Corporation) is displayed in the bottom right corner. It consists of the letters "LISC" in a bold, dark blue, sans-serif font.

# **Tax Policy**

## **(Lookback Provision & American Rescue Plan)**

Jason Ewas, Senior Policy Manager – Commonwealth

**Commonwealth** is a national nonprofit building financial security and opportunity for financially vulnerable people through innovation and partnerships.

# American Rescue Plan Act of 2021

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- What changes impact **this tax season**?
  - What do we know about implementation?
- What changes impact **next tax season**?
  - What do we know about implementation?



# 2020 Unemployment Threatens Tax Credits & Refunds

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- 1** Unemployment insurance does not count as earned income
- 2** Unemployment insurance is taxable

**Result: EITC and CTC at-risk,  
Refunds up to 80% smaller**

EITC = *Earned Income Tax Credit*; CTC = *Child Tax Credit*

# Households Most at Risk

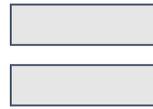
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**With children**

**Un / under-employed in  
2020**

**Expected to make up to  
\$30K before pandemic**

**Disproportionately Led by  
Women of Color**



**Millions of**  
working households at risk for  
significantly reduced refunds



# Congress Acts: Lookback Offers Relief

*Critical provision in 12/21/20 Stimulus Bill*

## Legislation

“**Lookback**” provision:  
families may choose  
between 2019 & 2020  
earned income for EITC  
& ACTC eligibility &  
amount



## Result

Millions of families  
eligible for refunds  
similar to prior year...

But they must know  
about the lookback &  
how to use it



## What's Next?

**Families should:**

- 1) Ask tax preparers about EITC / CTC lookback
- 2) Bring 2019 tax return to tax prep



# Access Resources and Information

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**taxtimecrisis.org**

**Resources for  
Organizations**

**Resources for  
Tax Filers**

**commonwealth**

**N** NEIGHBORHOOD  
**T** TRUST  
FINANCIAL  
PARTNERS

 **SaverLife**<sup>®</sup>

# Resource: Messaging on the Lookback

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**Did you earn less in 2020?  
You could qualify for a bigger tax refund!**

**If you do this one thing, you could get a bigger tax refund this year**

Congress just approved a new 'lookback rule' which means you can use either your 2019 or 2020 income on your taxes to get the biggest refund possible this year.



commonwealth

# Thank you

Jason Ewas , Senior Policy Manager  
jewas@buildcommonwealth.org

[www.taxtimecrisis.org](http://www.taxtimecrisis.org)

Visit our website: [buildcommonwealth.org](http://buildcommonwealth.org)  
Follow us on Twitter: [@buildcommwealth](https://twitter.com/buildcommwealth)

# Document Management & Digital Literacy

Melanie Reyes, FOC Director – Ironbound  
Community Corporation

# **Communication & Building Trust in the Community**

Shaulonda Jones, Program Assistant – LISC Toledo

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the left and right sides of the frame, creating a modern, dynamic feel. The central area is a clean, white space where the text is placed.

Tax Season

2020

# IRS VITA/TCE

- ▶ Volunteer Income Tax Assistance and Tax Counseling for the Elderly
- ▶ Saving low-to-moderate income individuals tax preparation fees. Average cost is \$175 (ranges from \$100 to \$450 depending on complexity of return)
- ▶ IRS provides training materials for volunteers.
- ▶ IRS provides grants to support VITA operations
  - ▶ Hiring staff
  - ▶ General operating costs like laptops and office supplies
  - ▶ Marketing material for volunteer recruitment and program promotion

# Minimum Certifications Required

- ▶ Volunteer Standards of Conduct Test
  - ▶ Intake/Interview and Quality Review Test
  - ▶ Basic Test
- 
- ▶ These tests can all be found in pub 6744
  - ▶ Pub 4012 and 4491 are resources that can be used to complete the testing

# Link and Learn



ome

## Certification Tests



Username:

Password:

▶ Sign in to your IRS account:

[Sign in](#)

▶ Set up a new IRS account:

[Create Account](#)

▶ Forgot Password or Username?

[CLICK HERE](#)

▶ Need Password assistance?  
Contact us by [clicking here](#).

## Instructor Tools

-  Classroom Presentations
-  Lesson Plans
-  Instructor Guide 4555e

## More Help

- ▶ [Getting Started Tutorial](#)
- ▶ [IRS Publications and Forms](#)
- ▶ [Get Adobe® Reader®](#)

## Quick Links

-  Link & Learn Taxes Lessons
-  Certification Test/Retest PDFs
-  VITA/TCE Training Guide PDFs
-  Evaluations
-  Practice Lab
-  VSOC Training
-  Fact Sheet: Continuing Education Credits
-  Intake/Interview and Quality Review Training

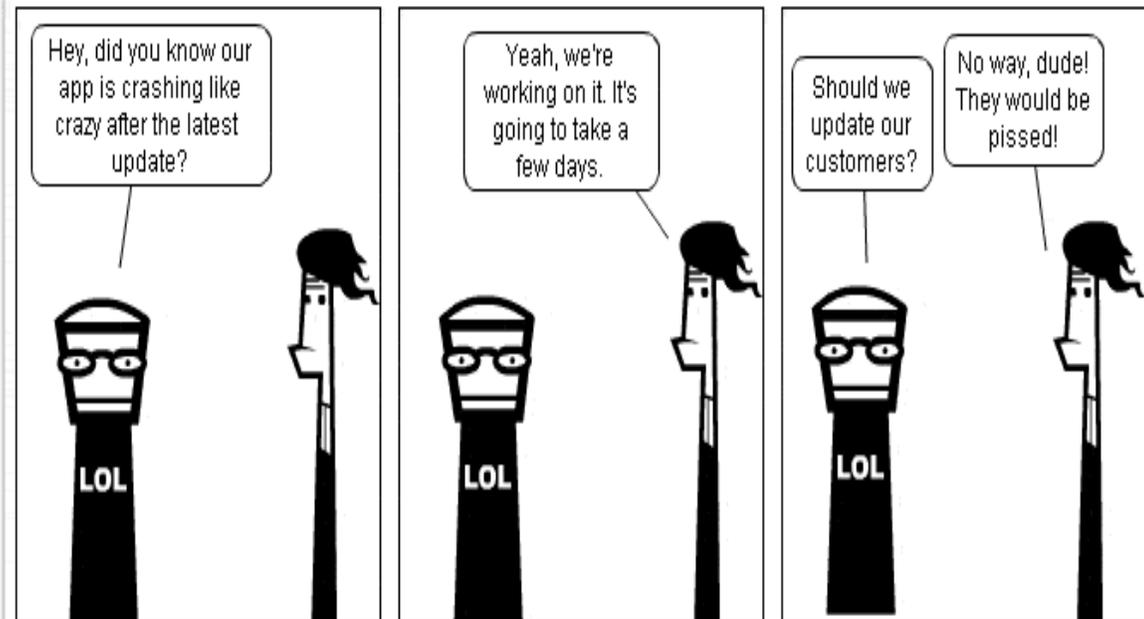
# Communicating Changes

- ▶ Build trust/Be honest
- ▶ Social Media
- ▶ IRS Alerts
- ▶ Community Partners
- ▶ Email/Postal Mailings
- ▶ Websites
- ▶ Webinars/Phone calls

## Communicating With Your Community

seanricholson

View more social media cartoons at  
[www.socmedsean.com](http://www.socmedsean.com)



# Challenges to Outreach

1. COVID
2. Technology
3. Language Barriers
4. Education Level
5. Community Messaging



# VITA and Financial Opportunity Centers

- ▶ Outreach opportunity for FOC to reach additional clients
  - Tax preparation site
    - ❖ Coaches are IRS certified to provide direct service
    - ❖ FOC services are shared with clients
    - ❖ Counseling is provided for refunds and/or amount due
- ▶ VITA impact on Toledo Region tax year 2019
  - 2,051 tax returns prepared
  - \$2,739,694 in federal refunds received
  - Average direct savings to taxpayers \$358,925

# Questions?



thank you!

**LSC**