

Priority: Basic Needs
Program Offer Type: Existing Operating
Related Programs:

Lead Agency: Commission on
Program Contact: Wendy Lebow

Program Characteristics:

Executive Summary

The Family Economic Security project will help low-income, working parents claim the Advance Earned Income Tax Credit(AEITC). We will also work with employers to provide free tax preparation services at the workplace, so their employees can access all available child credit and tax credit programs. We anticipate that this project will involve 40 local employers, provide direct tax preparation assistance to 800 employees, and secure \$2.4 million in federal tax benefits for low- and moderate-income families.

Program Description

The Advance EITC enables low-and moderate-income workers with children to receive part of their federal tax credit in their paychecks throughout the year, instead of waiting until they file their tax returns. This proposal asks for direct assistance to employers to set up workplace Advance EITC campaigns, which will include free tax assistance for employees and financial education resources. Specific activities under this proposal, include:

- (a) County staff and a contracted provider work with local employers to provide information and support for company-sponsored AEITC campaigns, informing employees about the program and helping with enrollment.
- (b) Employees will access free tax preparation services, thus avoiding fees for tax preparation. Employees will receive tax refunds large enough to lift their family income above the Federal Poverty Level.
- (c) Employees will receive financial education materials.

Program Justification

A recent Anne E. Casey Foundation publication states, "The Earned Income Tax Credit has emerged as America's largest and most effective anti-poverty program." However, very few local employers inform or enroll their workers in the AEITC program or offer free tax assistance. Key facts:

- The total AEITC credit is currently \$1,750 in per year. Workers who earn between \$7.95/hr. to \$20/hr. are eligible to participate.
- The US Department of HUD reports that the average refund to families who qualified for state and federal tax credits was \$3,000 for a family of four.
- "Decrease child and family poverty by increasing low-income families financial and social assets" is a Focus Issue in CCFC's 6-Year Community Plan.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY06-07)	Current Year Purchased (FY07-08)	Current Year Estimate (FY07-08)	Next Year Offer (FY08-09)
Output	Number of employers participating.	0	30	30	40
Outcome	Participants who yearly income is lifted above FPIG.	0	300	300	400
Outcome	Increase in families who use free tax prep svcs.-	0.0%	17.0%	17.0%	25.0%
Efficiency	Dollars leveraged per county dollar ratio	0	24	24	20

Performance Measure - Description

- Outcome information is based on IRS data which indications an average refund of \$3,000 for a 4-person family, who claims available tax credits. IRS's data on tax returns is normally reported two years after the taxes are filed, so we will conduct onsite surveys to determine income increases.
- Percentage increase is based on IRS figures for number of households (3,500) who utilized free tax preparation sites in Multnomah County in 2006.
- We anticipate that financial resources to workers and their families will equal \$2.4 million.

Legal/Contractual Obligation

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2008	2008	2009	2009
Personnel	\$47,520	\$0	\$45,284	\$0
Contracts	\$27,000	\$0	\$27,000	\$0
Materials & Supplies	\$0	\$0	\$2,648	\$0
Subtotal: Direct Exps:	\$74,520	\$0	\$74,932	\$0
Administration	\$0	\$19,290	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	\$0	\$19,290	\$0	\$0
Total GF/non-GF:	\$74,520	\$19,290	\$74,932	\$0
Program Total:	\$93,810		\$74,932	
Program FTE	0.50	0.00	0.35	0.00
Program Revenues				
Program Revenue for Admin	\$0	\$19,290	\$0	\$0
Total Revenue:	\$0	\$19,290	\$0	\$0

Explanation of Revenues

Significant Program Changes

Last year this program was:

#10015 - Family Economic Security