



**Low Income
Taxpayer Clinics**

REPRESENTATION • EDUCATION • ADVOCACY

Full Grant Applications 2021 Grant Year

Application Resources

- 2021 Publication 3319, *Low Income Taxpayer Clinics (LITC) Grant Application Package and Guidelines*
- 2 CFR Parts 200 and 1000, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

LITC Mission

Low Income Taxpayer Clinics (LITCs) ensure the fairness and integrity of the tax system for taxpayers who are low income or speak English as a second language (ESL) by:

- Providing *Pro Bono* representation on their behalf in tax disputes with the IRS;
- Educating them about their rights and responsibilities as taxpayers; and
- Identifying and advocating for issues that impact these taxpayers.

LITC Program Office Responsibilities

- The LITC Program Office is part of the Taxpayer Advocate Service (TAS)
 - TAS is an independent organization within the IRS, led by National Taxpayer Advocate Erin Collins
- The LITC Program Office administers the grant program by:
 - Screening applications and assisting with the selection of grantees
 - Administering grant funds
 - Monitoring LITC performance
 - Assisting LITCs in achieving the overall mission of the program by providing guidance and support

LITC Program Office Leadership

- Tamara Borland, LITC Program Director
- Vanessa Sloane, LITC Program Deputy Director
- Tim Shepard, Advocacy Manager
- Charles Taylor, Operations Manager
- Bill Beard, Senior Program Analyst
- Joceline Champagne, Technical Advisor

Program Requirements

Program Expectations

LITCs grantees must:

- Represent individual low income taxpayers in controversies with the IRS;
- Educate low income and ESL taxpayers about their rights and responsibilities as U.S. taxpayers;
- Identify and advocate for issues that impact low income and ESL taxpayer populations;
- Offer LITC services for free or no more than a nominal fee; and
- Provide dollar-to-dollar matching funds.

100% Matching Requirement

- Each dollar of federal funding must be “matched” by a dollar of non-federal funding
- Clinic must provide the amount, source, and type of matching funding (Form 13424J)
- Matching funds must be used in direct support of LITC Program activities
- Third-party in-kind contributions are acceptable matching funding
 - Time that an employee of the LITC or sponsoring organization “volunteers” can’t be used as match
 - Valuation depends upon service performed

Types of LITC Programs

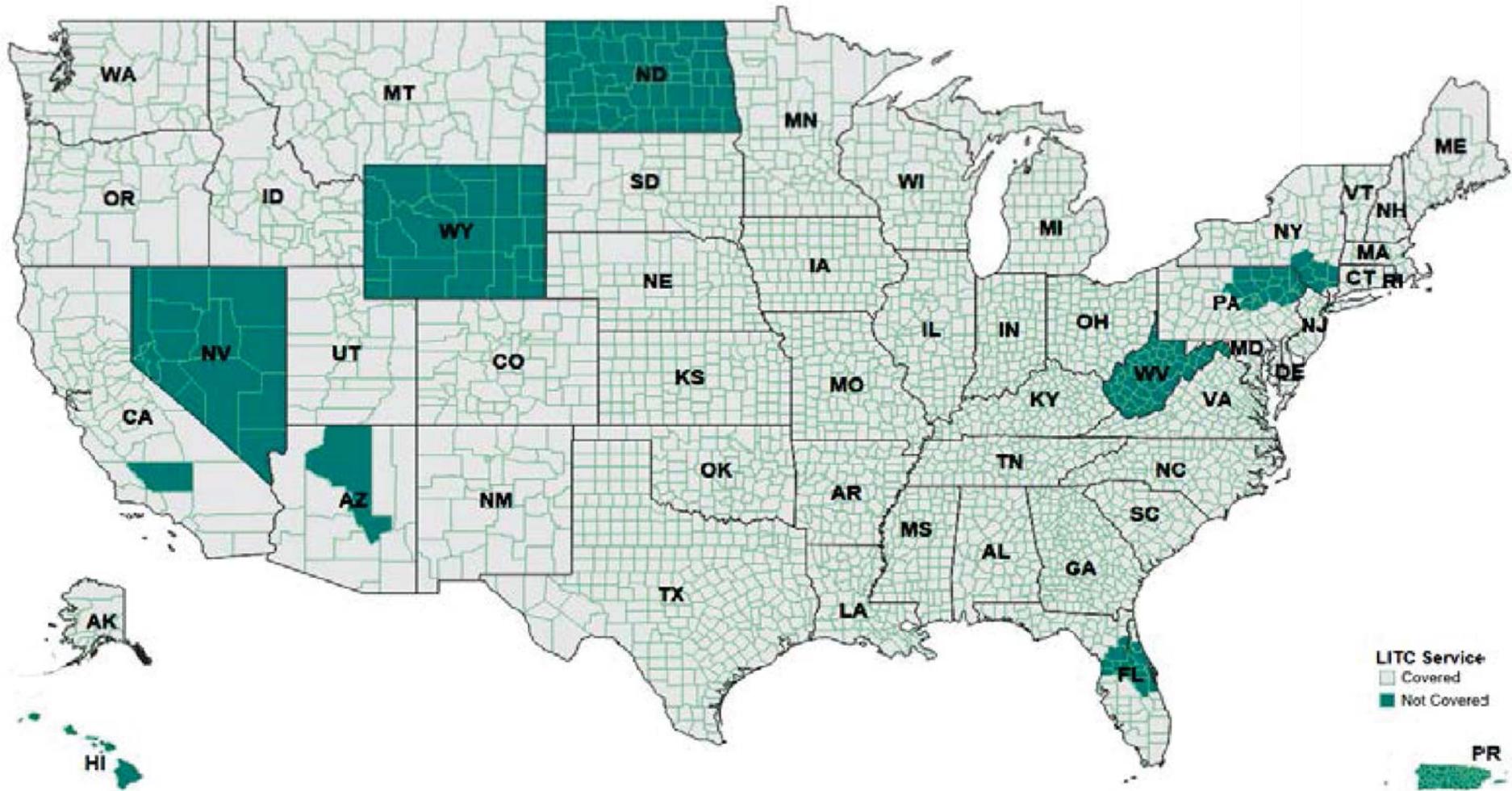
At present there are three types of LITC clinics:

- Legal Services/Legal Aid Programs
- Academic Clinical Programs
- Other nonprofit organizations

Locate Existing Clinics and Read More About the LITC Program

- IRS Publication 4134, *Low Income Taxpayer Clinic List*
- Interactive LITC Map on irs.gov
- IRS Pub 5066, *Low Income Taxpayer Clinics (LITC) Program Report*

2020 Coverage by County



ARIZONA (Coconino and Gila counties), **CALIFORNIA** (Kern County), **FLORIDA** (Brevard, Citrus, Flagler, Hernando, Lake, Marion, Orange, Osceola, Putnam, Seminole, Sumter, and Volusia counties), **HAWAII**, **MONTANA**, **NEVADA**, **NEW YORK** (Delaware, Dutchess, Orange, Putnam, Sullivan, and Ulster counties), **NORTH DAKOTA**, **PENNSYLVANIA** (Bradford, Carbon, Clinton, Columbia, Lackawanna, Luzerne, Lycoming, Monroe, Montour, Northumberland, Pike, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, and Wyoming counties), **PUERTO RICO**, **WEST VIRGINIA**, and **WYOMING**

Full Grant Application Requirements

The LITC Full Grant Application includes the following:

- Standard Form 424, *Application for Federal Assistance*
- Standard Form 424A, *Budget Information - Non-Construction Programs*
- IRS Form 13424, *Low Income Taxpayer Clinic (LITC) Application Information*
- IRS Form 13424-J, *Detailed Budget Worksheet*
- IRS Form 13424-M, *Low Income Taxpayer Clinic (LITC) Application Narrative*

Full Grant Application Requirements

- Attachments Form (used to attach the following):
 - Tax exemption determination letter, if applicable
 - Proof of academic accreditation, if applicable
 - Applicant's most recent audited financial statement if not available on the Federal Audit Clearinghouse
 - If audited statement is not available, applicant must submit unaudited statements for its most recent fiscal year and a statement as to why audited financial statements are not available

Full Grant Application Requirements

- Attachments Form (used to attach the following):
 - Documentation (*e.g.*, articles of organization or a Form 2848, *Power of Attorney and Declaration of Representative*) which shows that the designated Tax Compliance Officer on Form 13424 is properly authorized to receive federal tax information regarding the applicant/sponsoring organization
 - Indirect cost rate agreement, if applicable

Review and Evaluation of Full Grant Applications



Application Review Process

Applications received by the LITC Program Office are subject to several layers of review, including:

- Validation by the Program Office (*are applications timely and complete, and appear to be filled out correctly*)
- Technical Evaluation by a Ranking Panel (*to what extent will the proposed clinic program align with the requirements of the LITC grant*)
- Evaluation by the LITC Program Office (*review of Ranking Panel findings, financial and compliance reviews, past and current performance of LITC if current grantee, etc.*)
- National Taxpayer Advocate Review

Ranking Panel Technical Evaluation

- A panel of TAS employees convened and trained by the LITC Program Office conducts the Technical Evaluation
- The Technical Evaluation:
 - Is based only upon information included in the application form
 - Evaluates the program the applicant is proposing in relation to the expectations and guidelines outlined in Publication 3319
 - Does not include review of clinics' proposed budgets

Technical Evaluation Scoring

- Ranking Panel members award points to each application in the areas noted below and the points are totaled for an overall score, not to exceed 100 points
- Applicants only move on to the next level of review if they receive 50 points or more
- Points Awarded:
 - Experience (13 points)
 - Financial Responsibility (11 points)
 - Program Performance Plan (71 points)
 - Program Coverage (5 points)

Program Office Evaluation

- LITC Program Office staff contribute to the Program Office Evaluation
 - Only Full Grant Applications receiving a score of 50 points or more will be reviewed
 - Information may be subject to verification
- The Evaluation will consider:
 - Quality of the proposed program
 - History of performance under LITC grants in prior years, if applicable
 - Soundness of the proposed budget
 - Any significant concerns identified during the Technical Evaluation

Other Evaluation Considerations

- Existence of other clinics in the applicant's geographic coverage area assisting the same population of taxpayers
- Scope of services that the clinic will provide
- Days and hours of clinic operation
- Number of low income and ESL taxpayers to be assisted
- Languages in which taxpayer assistance will be provided

Other Evaluation Considerations

- Reasonableness of funds sought for the quantity and quality of services to be offered
- Other sources of funding available to the clinic
- Anticipated funding available to the LITC Program
- Any noncompliance with federal tax and nontax obligations, or national policy requirements

Final Funding Decisions

- The National Taxpayer Advocate makes final funding decisions, unless recused
- In recusal situations, the Deputy National Taxpayer Advocate makes final funding decisions

Standard Form (SF) 424, Application for Federal Assistance



SF 424 Reminders

- Prepopulated fields cannot be changed
- Section 8a-8d information should match information in SAM.gov
- Section 14 is where to attach list of counties covered
- Section 16a is congressional district where applicant is located
- Section 16b is congressional district(s) covered by the clinic
- Section 17 is the project period requested for grants:
1 year = 1/1/2021 - 12/31/2021, 2 years = 1/1/2021 - 12/31/2022, 3 years = 1/1/2021 - 12/31/2023
- Section 18 is amount requested for a single year
- Electronic signature will appear once submitted

Form 13424-M,
LITC Application Narrative



Form 13424-M Overview

F 13424-M, *Low Income Taxpayer Clinic (LITC) Application Narrative*, has three main parts and several sub-parts:

- Background Information
 - Experience
 - Financial Responsibility
- Program Performance Plan
 - Program Staff
 - Taxpayer Services
 - Clinic Operations
 - Volunteers
 - Training and Resources
 - Program Monitoring, Evaluation, and Reporting
 - Program Numerical Goals
- Civil Rights Review

Experience

- Operating an LITC program
- Delivering services to low income and ESL individuals and families
- Networking with affiliates and other community-based organizations to reach taxpayers, and providing technical assistance to other organizations
- Supervising staff, students, and volunteers

Financial Responsibility

- Accounting procedures and support staff
- Methodology for ensuring LITC funds used only for qualifying activities
- Audits and controls
- Financial Statement
- Qualified Business Administrator's (QBA) qualifications and relevant expertise with business administration and managing federal funds

Program Staff – Key Personnel

Qualifications and expertise of the following required positions:

- Qualified Tax Expert (QTE)
- Clinic Director

Tip: If one person will fill both roles, describe what skills, experience or education qualifies the person to fulfill that role. Do not merely repeat the same information in both places.

Program Staff - Others Providing Services

- Titles, responsibilities, and qualifications of other LITC staff members
- Students
 - Will the clinic utilize students
 - If so, will the clinic seek student authorization to practice before:
 - IRS
 - U.S. Tax Court

Program Staff - Authorization to Practice

- Must have staff member that is authorized to represent taxpayers before IRS
- Must have staff member or volunteer that is authorized to practice before U.S. Tax Court
 - Must provide each individual's Tax Court bar number on M form!

Program Staff - Tracking Time

- Time to be devoted by staff and students to the clinic
- Detail the method to be used to track staff and student time

Taxpayer Services - Taxpayer Eligibility

Procedures used to ensure clinic properly tracks:

- 90/250 requirement
- Amount in controversy limit of \$50,000
 - Policy for exceptions to the amount in controversy limit, if any

Taxpayer Services

- The geographic area(s) the clinic will serve and demographic information, the identified population for low income and ESL taxpayer representation, education, and outreach
- Type of representation services to be provided
- Procedures for intake, assignment, and monitoring of cases
- Consultation services and how they will be made available to taxpayers
- Outreach Activities
- Educational activities
 - Topics covered
 - How they will be made available to taxpayers

Clinic Operations

- Tracking delivery of services to low income and ESL taxpayers
- Protecting taxpayer privacy, to maintain confidentiality, and to safeguard client records
- Publicity plan, including potential venues for outreach to low income and ESL taxpayers
- Dates, days, and hours of clinic operation
- Plans for charging nominal fees, if any, and amount

Volunteers

- Applicant's *pro bono* panel and how members will be identified and recruited
- Referral process if to a local, state, or national *pro bono* panel
- Procedures used to assign cases to volunteers, monitor case progress, and evaluate services to ensure that taxpayers receive quality assistance
- Method used to track volunteer time

Training and Resources

- In-house training to be provided to clinic staff, students, and volunteers
- Continuing professional education activities of clinic staff and volunteers
- The tax law library and access to other research sources

Program Monitoring, Evaluation, and Reporting

- Applicant's strategy for monitoring and evaluating program results (in short and long-term)
- Method applicant will use to measure and address client satisfaction

Program Numerical Goals

Identify the Program Numerical Goals for the first year in the following areas:

- New representation cases opened in the calendar year
- Consultations with low income and ESL taxpayers
- Educational activities to low income and ESL taxpayers
- Low income and ESL taxpayers to be reached in educational activities

Form 13424-J, Detailed Budget Worksheet



Detailed Budget Worksheet (First Page)

Form **13424-J**
(May 2018)

Department of the Treasury - Internal Revenue Service

Detailed Budget Worksheet

OMB Number
1545-1648

Name of Low Income Taxpayer Clinic

Grant Period

From

To

Expense Categories	Federal	Match	Total
A. Personnel			
B. Fringe Benefits			
C. Travel			
D. Equipment			
E. Supplies			
F. Contractual			
G. Construction			
H. Other Expenses			
I. Total Direct Charges			
J. Indirect Charges			
K. Totals			

Budget Narrative (Second Page)

- Personnel
 - Name, title, FTE, wage (salary or hourly)
 - Federal amount, match amount, total
 - Any additional explanation
- Fringe Benefits
- Travel
- Equipment (equals or exceeds \$5,000)
- Supplies
- Contractual
- Other Expenses
- Indirect Costs
- Matching Funds

Presenting Budget Information 13424-J

- Be sure to:
 - State your organization's Full-Time Equivalent. A full-time employee at your organization works X hours per week.
 - The FTE effects calculations
 - .5 at 37.5 hrs/wk =18.75 hrs vs. .5 at 40 hrs/wk=20 hrs
 - Make sure where you list a budgeted item matches the description for that expense category.
- Be consistent in how you list an item of cost.

Grants.gov

About Grants.gov

Grants.gov is part of the initiative to provide the grant community with a single site to find and apply for grant funding opportunities. It is a web-based system which contains announcements for all kinds of grants. It can be accessed via computer, tablet, and smart phone and an application can even be tracked with the grants.gov app.

Registration and System Access

- Must have a Data Universal Numbering System (DUNS) number
- DUNS transitioning to Unique Entity Identifier (UEI)
- Must register DUNS with the System for Award Management (SAM)
- Requirement to register DUNS with SAM to apply be waived due to COVID-19

Obtain a DUNS Number

All entities applying for funding must have a DUNS number from Dun & Bradstreet (D&B). Applicants must enter the DUNS number in the data entry field labeled "Organizational DUNS" on the Standard Form 424, *Application for Federal Assistance*. For instructions on obtaining a DUNS Number, refer to: <https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>

Register with SAM.gov

All entities applying online through Grants.gov must register with SAM.gov. However, due to COVID-19, the requirement to have an active DUNS registration is being waived. For more detailed instructions for registering, refer to:

<https://www.grants.gov/web/grants/applicants/organization-registration/step-2-register-with-sam.html>

Create a Grants.gov Account

The next step is to register an account with Grants.gov. Follow the on-screen instructions or refer to the detailed instructions here:
<https://www.grants.gov/web/grants/applicants/registration.html>

Create and Complete a Workspace

- Creating a workspace allows you to complete the application online and route it through your organization for review before submitting
- All individuals must be added as participants to the workspace to work on the application together, complete all the required forms online, and check for errors before submission

Submit a Workspace

- Submit the application through the workspace by clicking the Sign and Submit button on the Manage Workspace page, under the Forms tab
- Submit your application package at least 24-48 hours prior to the close date to provide you with time to correct any potential technical issues that may disrupt the application submission
- Can submit workspace via mobile device

Electronic Signature

- When applications are submitted through Grants.gov, the name of the organization applicant with the Authorized Official Representative (AOR) role that submitted the application is inserted into the signature line of the application, serving as the electronic signature
- The EBiz POC must authorize people who are able to make legally binding commitments on behalf of the organization as a user with the AOR role; this step is often missed and it is crucial for valid and timely submissions

Grants.gov Resources

- For training resources, including video tutorials:
<https://www.grants.gov/web/grants/applicants/applicant-training.html>
- For workspace information:
<https://www.grants.gov/web/grants/applicants/workspace-overview.html>
- Applicant support: Grants.gov provides 24/7 support via the toll-free number 1-800-518-4726 and email at support@grants.gov. For questions related to the specific grant opportunity, contact the number listed in the application package of the grant for which you are applying.

Contact Information

Tamara Borland (general program inquiries)

Tamara.A.Borland@irs.gov

Bill Beard (Grants.gov and SAM.gov inquiries)

Beard.William@irs.gov

See Publication 3319 for additional contact information and resources.

Questions?

Hint: See page iv of Publication 3319 to avoid common errors made in completing and submitting the application