Tax Counseling for the Elderly (TCE) Program
Frequently Asked Questions

1. **How can an organization determine if they are eligible to apply for the TCE Program and what the program requirements are for participating?**

   Applicants must meet the following criteria to be eligible for funding under the TCE Program:

   - Be a private or public non-profit organization that has been granted tax exemption under Section 501 of the Internal Revenue Code (organizations that have applied for recognition as tax-exempt but have not received their IRS determination letter confirming the organization as exempt are not eligible for this grant) or be federally recognized Indian tribal government;
   - Have experience in coordinating volunteer programs and experience in income tax return preparation;
   - Not be a federal, state, or local governmental agency or organization;
   - Must be in compliance with federal tax filing and payment requirements;
   - Must not be debarred, suspended or otherwise ineligible for a federal award; and
   - Have the capacity to electronically file returns.

   A detailed list of the eligibility requirements can be found in the Eligibility Criteria section of the Publication 1101, *Application Package and Guidelines for Managing a TCE Program*. This publication outlines the eligibility, administrative and program requirements for participating in the IRS TCE program. In addition, it provides detailed instructions on how to apply as well as the evaluative criteria used to rank all applications.

2. **What is the timeline for the TCE Program?**

   The timeline for the TCE Program is as follows:

TCE Grant Program Timeline	
Application Period	May 1 – May 31
Review and Ranking	June 1 - September 30
Notification of Selection/Non-Selection	October 1
Program Period	October 1 - September 30

3. **Can the cost of preparing the application package be paid for with grant funds?**

   No. Costs associated with the preparation of the TCE program application package is an unallowable expense (Publication 1101, Management of Funds section).

4. **How do I verify my organization has filed all required tax forms?**

   The person in your organization responsible for filing tax returns (including employment tax returns) should contact the IRS at (877) 829-5500 to check for any monies owed or tax returns not filed. Please ensure filing requirement information is correct. Do this prior to submitting your application.

5. **Will an approved extension for filing be accepted as being in compliance?**

   Yes. An approved extension for filing a tax return is acceptable for compliance.

6. **If an organization received a TCE grant or Volunteer Income Tax Assistance (VITA) grant in a prior year, will this affect this year's eligibility?**

   Yes. The Grant Program Office will be reviewing prior grant years to determine if all required reporting is complete and was submitted timely; and if the organization met its program plan and return production goals. If all required reports were not submitted timely and a request to delay reporting was not approved before the due date of the report, the applicant will be ineligible for a grant during this announcement period. Submitting required reports about use of funds is required for the continued consideration for future grant opportunities.

7. **In preparing a budget for the TCE Program, are we allowed to charge indirect costs?**

   No. Indirect cost expenditures are not allowable. Expenses are only allowable if they are reasonable expenses or costs. Reimbursement should be for direct, reasonable and prudent expenses incurred as part of volunteer service or as part of the programs sponsor's overhead according to guidelines stated in the Cooperative Agreement. (Publication 1101, Management of Funds section)

8. **If there is a change to the budget, does it require prior approval?**

   Any changes to the budget between object class categories may be made without pre-approval when the change is 10% or less of the total award. Approval of changes greater than 10% must be requested in advance electronically and

approved by the Grant Program Office before the change may be made. The maximum award amount does not change.

9. **What happens if my organization fails to meet the 65% elderly electronic filing (e-file) goal?**

   E-filing of returns has many benefits for the taxpayer including; faster processing of the return, a greater accuracy rate, less correspondence with the IRS because of increased accuracy, and faster refunds compared to paper filers. It is the intention that all sponsoring organizations electronically file all eligible returns. It is a goal for the TCE program that at least sixty-five percent of all electronically-filed returns completed are for taxpayers at least 60 years old. If an organization does not meet the sixty-five percent elderly e-file goal, it will impact their consideration for a TCE grant during the subsequent year grant application period.

10. **Do I need to secure equipment or use my own for providing electronic filing services?**

    The IRS recognizes that each organization is at a different stage of instituting electronic filing into their tax assistance program and will offer the necessary guidance, assistance, and support along the way. You may be able to use your organization's existing computer equipment depending on whether it is compatible with the requirements of the tax preparation software. Although IRS provides a small quantity of laptops and printers for use at existing sites, new and current program sponsors are encouraged to include funding for computers and printers as a budgeted item in the grant proposal when community resources are not available.