



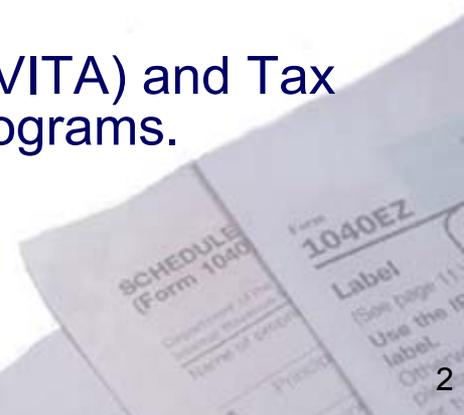
**Internal Revenue Service**  
United States Department of the Treasury

# Partnering to Deliver Free Tax Services

Stakeholder Partnerships, Education and Communication (SPEC)

# Internal Revenue Service

- In the IRS, the Wage and Investment (W&I) Division provides tax processing, compliance, and customer service for virtually 118 million individual taxpayers.
- W&I includes seven campuses that process tax returns and other tax documents; 25 sites that provide account management (toll-free and correspondence) services; and over 400 field operation sites that provide direct taxpayer assistance.
- Stakeholder Partnerships, Education & Communication (SPEC) is the Outreach and Education arm of the Wage and Investment Division of the IRS.
- SPEC partners with community based organizations to gain access and provide service to lower income, elderly, disabled, Native Americans, non-English speaking and rural populations.
- SPEC manages the Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) free tax preparation programs.

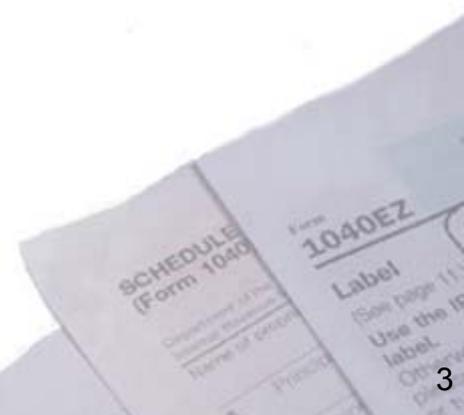


# SPEC's Business Model

SPEC partners with 60 National Partners, over 370 coalitions, and 4,656 local partner organizations of all types:

- Corporate
- Faith-based
- Nonprofit
- Educational
- Financial
- Governmental
- Public service

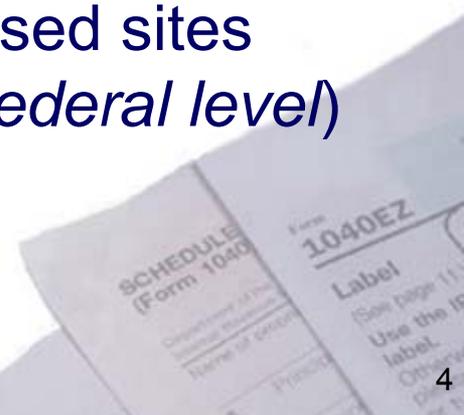
## SPEC Business Model



# Faith-Based Partners

## Return Preparation Results for 2010

- Completed and filed over 205,000 volunteer returns (*more than 3 million free federal tax returns and over 2 million state returns nationwide*)
- Sponsored 821 free sites (*more than 12,000 nationwide*)
- Approximately 9,000 individuals in faith-based organizations volunteered to help their communities through the VITA program (*more than 88,000 nationwide*)
- Over \$235 million in refunds, including \$62 million in EITC refunds received by taxpayers served at faith-based sites (*over \$3 billion in tax refunds nationwide at the federal level*)



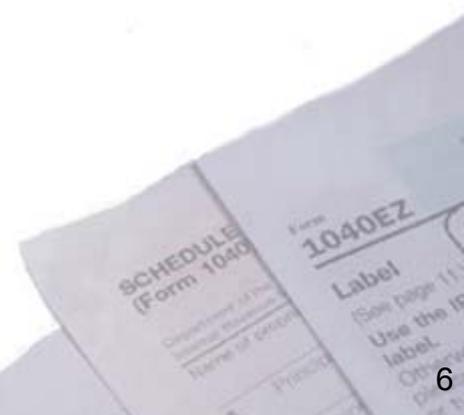
# Three-Year Growth of VITA/TCE Program in Selected States

<b>State</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
California	211,725	231,594	253,835
Florida	185,024	195,445	205,750
New York	173,398	186,405	198,770
Texas	183,182	214,179	225,333

# Future Possibilities

- Faith-based organizations' volunteer prepared returns bring an average \$1,145 in refunds per return
- Taxpayers saved approximately \$60 million in tax return preparation fees based on an average tax return preparation fee of \$292\* for a simple tax return
- A 20% increase in returns prepared by faith-based partners can yield approximately \$47 million in refunds for their clients

*\*source: National Community Law Center*



# Financial Education & Asset Building

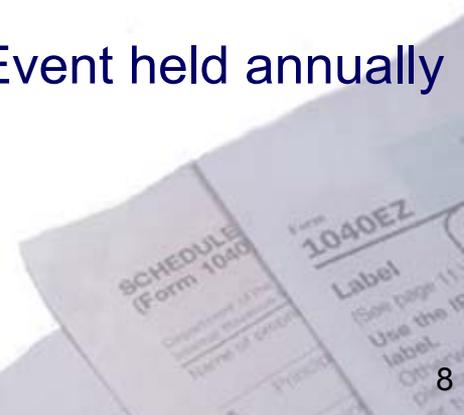
- IRS recently eliminated the “Debt Indicator” that was used by tax preparers and financial institutions to facilitate refund anticipation loans or RALs. Taxpayers are encouraged to use the following options to obtain faster tax refunds:
  - Direct Deposit - is the fastest, safest way to receive a tax refund. An e-filed tax return means a fast refund. Taxpayers who combine e-file and Direct Deposit can get their refunds in as few as 10 days.
  - Savings Bonds – taxpayers may purchase U.S. Series I Savings Bond for themselves and up to two others individuals. The remainder of the refund may be direct deposited or issued in a paper check.
  - Prepaid Debit Cards – taxpayers with or without bank accounts may load their refunds on a stored value card. Most of these cards have no or very low transaction fees compared to check cashing establishments.



# Strengthening Communities through Partnerships

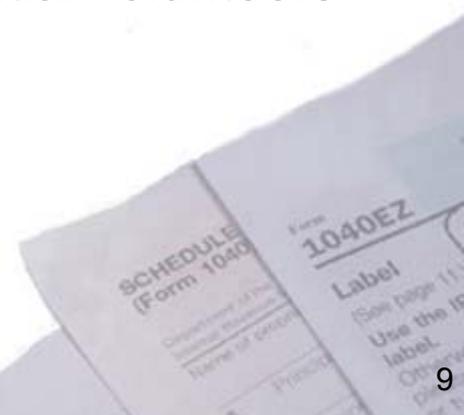
Working Collaboratively we can:

- Encourage employees, the business community, residents and students to volunteer for VITA and Financial Education and Asset Building (FEAB).
- Inform low to moderate income faith-based clientele about free tax preparation and FEAB at VITA sites.
- Partner to:
  - Sponsor VITA sites in their local community
  - Participate in the National Earned Income Tax Day Event held annually
  - Sponsor a FEAB Day starting next filing season



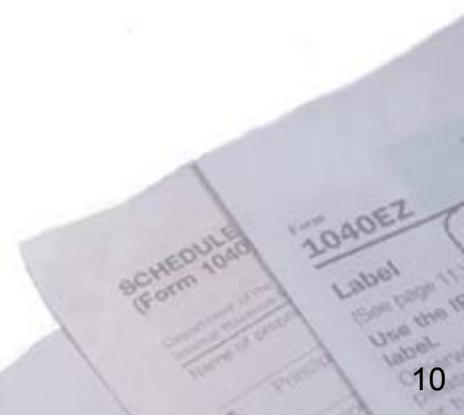
# How to Host a VITA site?

- Convene initial community meeting
- Form core planning/working group
- Contact IRS-SPEC at [partner@irs.gov](mailto:partner@irs.gov)
- Some attributes of a model VITA site:
  - Site preparation
    - Secure site locations, provides computers and supplies
    - Installs/maintains IRS provided software
  - Volunteers
    - Develops a recruitment method to attract potential volunteers
    - Provides instructors for all training
  - Tax Preparation
    - Ensure the use of reference materials
    - Provide Quality Review Process



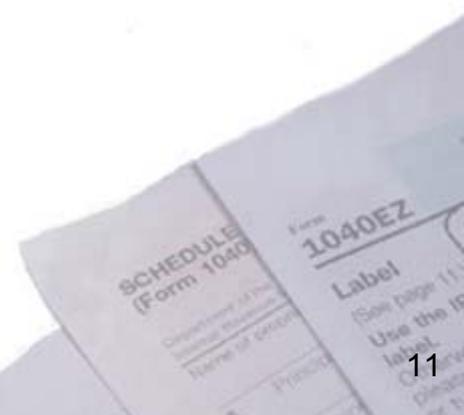
# How to Volunteer at a VITA Site?

- If you have members interested in becoming a volunteer, and they need to find an organization in their area, they can send an email to [taxvolunteer@irs.gov](mailto:taxvolunteer@irs.gov)
  - Their name will be forwarded to the appropriate local IRS office
  - For locations and hours of operation of a community VITA site:
    - Visit [www.irs.gov](http://www.irs.gov) (Keyword VITA)
    - E-mail IRS at [taxvolunteer@irs.gov](mailto:taxvolunteer@irs.gov)



# How to Connect with Community Based Organizations?

- SPEC has built a network of national and local partners
  - IRS will facilitate discussions between you and our over 370 coalitions and 4,656 local partner organizations
  - Client-based organizations include corporate, faith-based, nonprofit, educational, financial and government



# For More Information

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