

Engaging Retail Partners

Reach New Clients with Employer Partnerships



As an average workday extends between 8 and 10 hours, there is little extra time left for people to fill out tax forms at home. To overcome this obstacle, The MyFreeTaxes Project helps simplify federal tax filing by collaborating with employers to provide employees the time, space, and support needed to complete tax returns during regular business hours.

The IRS VITA program (Volunteer Income Tax Assistance) is the primary provider of assistance to low to moderate-income people who needed help filing their tax returns each year¹. However, as many people either did not openly admit their need for assistance or had trouble finding time to visit a service site, much of the free tax assistance targeting this population went unused. To address these issues, employers in Kansas City came up with a way of discreetly notifying certain employees of the VITA program so that it neither interfered with their limited time at home or violated their sensibilities as self-sufficient filers.

With support from the Walmart Foundation, National Disability Institute, One Economy, and United Way Worldwide, the United Way of Greater Kansas City (UWGKC) created a program with its corporate partners in an effort to support low and moderate wage employees with onsite facilitated tax preparation.

How can other United Way affiliates leverage partnerships with local employers to reach this new client population?

¹ Department of Internal Revenue Service

About Kansas City

Kansas City and its metropolitan area contain a multitude of ethnic and racial populations. Almost 7 percent of residents are Hispanic or Latino, over 30 percent are African American, and almost 10 percent speak a language other than English in their homes². In this region, as in other areas of the United States, minority and low income tax filers face a disproportionate risk of having their refunds frozen or labeled fraudulent and are less likely to receive help from paid tax preparers or agencies who target certain neighborhoods for business. This risk extends to lower-income taxpayers as well who, in Kansas City, earn below the median household income of \$37,198.

New Income Guidelines, Messaging, and Possibilities

The MyFreeTaxes Project makes it possible to assist a new population of tax filers by, primarily, changing the messages being delivered about free tax assistance.

Since many potential clients in the targeted income population do not consider themselves “low-income,” or in need of assistance, communication is an ever-important aspect in the process of engaging an intended client base. The project manager for UWGKC refrained from using any phrases that inappropriately linked terms like “low-income,” choosing instead to focus on the “free tax services” component. This change in messaging allowed the campaign to reach a broader audience of potential tax clients, including those who would not classify themselves as being seeking low-income or social services

Forming Partnerships with Employers

Additional to a transition in messaging, MyFreeTaxes.com has been able to provide more people access to free tax filing services by reconsidering established household income qualifications. Community-based free tax preparation, provided by VITA partnering organizations, has an income threshold of \$49,000 or less and is limited because of a dependence on volunteers to provide one-on-one assistance. Alternatively, the income threshold for free tax preparation on MyFreeTaxes.com allows households with an Adjusted Gross Income (AGI) less than \$57,000 to prepare and file for free. To promote the

² US Census Bureau, 2000

availability of tax service to a larger portion of the population, employers were asked in 2010 to communicate with their employees on behalf of the project. In exchange for an hour of their employees' time, companies were able to offer them free tax filing services. The services were advertised through internal emails and promoted through direct conversations.

In this free tax-filing model, it is important to choose employers strategically. In its own program, The United Way leveraged existing relationships and connections with local employers through their Board of Directors in order to make initial contact. Working with selected employers, UWGKC analyzed the positions and salaries at each company to determine which employees were most likely to qualify within the income limits and how best to reach them. When talking to employers, the United Way affiliate was careful not to send the message that employees are underpaid or are in need of help. Instead, the United Way focused on the message that the free tax preparation assistance is a valuable service that employers could offer their employees at no cost.

Organizing and Setting Up in Corporate Offices

UWGKC purchased laptop computers with money from the Walmart grant, and Sprint donated two wireless cards to provide Internet access. By using their own equipment and internet connections, the tax project could work independently of closed networks and IT departments, providing free tax assistance through MyFreeTaxes.com with minimal technical complication.

The employers arranged for a space to be set up with tables and chairs and promoted the opportunity throughout the business weeks ahead of time. To respect the time of the employees and the volunteers, appointments were scheduled in advance. During a regular appointment clients were guided through the self-preparation software available on MyFreeTaxes.com by volunteer staff available to answer questions and address difficulties.

Marketing and Advertising Campaign

The following is a list of simple and successful communication techniques that contributed to program success:

- Payroll departments distribute fliers as part of paycheck distributions
- Employers send out bulk emails to their employees announcing the opportunity for free tax filing assistance onsite and the ease of scheduling an appointment
- Employers print and display posters on bulletin boards and mailboxes

Lessons Learned

The following are some specific lessons for others implementing this model with an Employer outreach campaign:

- Work with nonprofit boards of directors, corporate partners and local business leaders with this business proposition to supply these valuable services to their businesses and employees
- Identify employee populations likely to feel comfortable using computers like bank tellers, teachers, retail sales personnel or restaurant workers
- Use the strength of the Human Resources Department to refer employees to you for appointments while you are onsite

Conclusion

Traditionally, the VITA program has focused on low-income individuals and has reached its audience through community centers and non-profit organizations. By creating new employer partnerships in this tax preparation model, the United Way of Greater Kansas City efficiently connected with a new population and offered a valuable service within the community. This service allowed for workers to receive attention and assistance in preparing their tax returns without asking them to take valuable hours away from their evenings and weekends.