

Florida Prosperity Partnership:

Bright Minds, Fresh Ideas Student Think Tank

VITA's Vitals: *Marketing and Promoting Volunteer Income Tax*

Assistance to More Taxpayers



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Introduction

This research paper will discuss how every eligible Floridian should be aware of Volunteer Income Tax Assistance (VITA) as an option for preparing their annual tax return as well as address the problems and solutions to impending challenges VITA faces. As a research team, Sean Cook and Rahsean Scharon's topic was to figure out how to educate the citizens of Florida about how they could get their taxes done for free through the VITA program.

Background Information

The research team began by gathering data on the VITA program, such as what it does, and where it originated. In 1971, a California State University (CSU) Northridge professor by the name of Gary Iskowitz founded a program called VITA to provide local taxpayers with free tax return preparation by CSU accounting students. Gary Iskowitz's effort grew into a national Internal Revenue Service (IRS) program called Volunteer Income Tax Assistance (<http://www.isko.com/>). VITA is a program designed to help low- to moderate-income (LMI) households that make \$54,000 or less per year file their tax returns for free.

Research

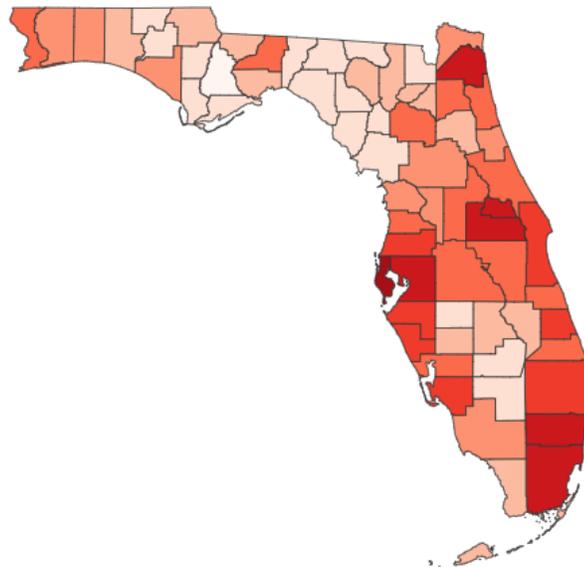
The research team began searching for a list of VITA sites which would allow them to identify the locations in Florida that lack accessibility to free tax preparation. However, that proved difficult when attempting to contact the IRS for a list of locations of all VITA sites in Florida. Eventually, the research team worked with Barry Altland of Florida Prosperity Partnership (FPP)

who connected them with Alexander Adriane, a SPEC (Stakeholder Partnerships, Education and Communication) relationship manager of the IRS, that generously provided lists of VITA addresses in the state of Florida.

With the data collected from Alexander Adriane, a Senior Tax Consultant of the IRS, the research team began to alphabetically organize it by city into an excel document to then create a pinpoint map of each VITA location. The research team added a density map in order to compare the homes of the Florida population to the location of each VITA site.



Florida Population Density by County



To assist the team in gathering data about the VITA programs itself was Rob Sansome of FPP, who gave the research team a reference explaining information on VITA in 2018. These included statistics such as, the average

adjusted gross income of \$23,490, the average refund size of \$1454, the national accuracy rating of filed tax returns of 93.14%, the amount of opened VITA sites exceeding 9500 returns, the number of federal tax returns, which totaled 3.4 million, as well as the amount of state tax returns, which total 2.4 million.

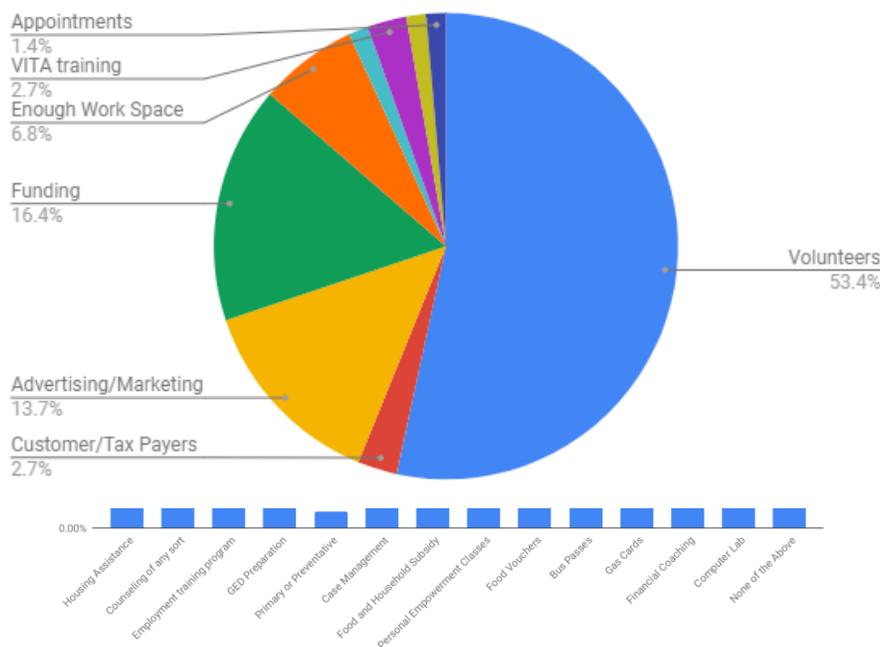
VITA's organizational structure was difficult to find, but was obtained through an interview with IRS SPEC Manager in Florida, Cheryl Denny. The roles of the VITA program start at the base with the intake personnel, also known as greeters. They are in charge of filling out the Intake/Interview and Quality Review sheet for the tax preparers. The next role after them would be tax preparers and quality reviewers. They are the people who help file the tax returns and check their peers' work, respectively. The site coordinator oversees the volunteer tax preparers and the overall function of the site. The program coordinators are in charge of each of the site coordinators. SPEC Relationship Managers are the first point of contact to the IRS for both the program coordinators and site coordinators if they have any tax-related questions. They are not volunteers, as they are paid employees of their respective community-based organization. There are a total of 2000 throughout the country, and 20 of them are in Florida. Above the SPEC Relationship Managers are the SPEC Territory Managers. There are a total of 27 throughout the nation [organized](#) into 3 different areas with 9 Territory Managers within each area. Each of the 3 areas are managed by an Area SPEC Director. Finally, the Director of SPEC, currently Frank A. Nolden, is in charge of the Area SPEC Directors.

To continue the research, it was suggested to create a survey that would be sent to the program coordinators of the individual VITA sites themselves. The research team created the survey, which included questions such as what state they live in, what services besides free tax preparation are offered, and what the greatest challenge is at their VITA site. The information was recorded and the team received insightful [data](#).

A majority of the respondents resided within the state of Florida. Popular integrated services offered at the VITA sites include financial coaching, counseling, an employment training program, and access to computer labs. Survey results overwhelmingly displayed that the greatest challenge at VITA sites are getting enough volunteers to run the sites. This is a common issue among many volunteer services. Two other prominent issues are a lack of funding and a lack of marketing for the sites. The IRS's budget in general has been getting cut back for the past four years, according to an IRS employee, and marketing or the people's knowledge about the program could be enhanced with a better centralized location to learn

about VITA. More than half the sites who took the survey offered some type of financial coaching to the LMI families that get their taxes done at the site.

VITA Site Challenges



Problems/Solutions

The research team came up with a way in which VITA could be expanded via a free mobile app that searches for nearby VITA sites, as well as provide any and all needed information people might have about VITA. This would allow a simpler and relatively accessible way for people to research VITA and find places they can get their taxes done for free. The IRS already has a VITA site locator on their website and mobile app, but the locations that are listed are either not complete or out of date, which result in some of the nearest VITA sites being over 100 miles away! Fortunately, other resources such as United Way Suncoast provide updated locations to VITA sites in certain counties and includes each of the sites' respective opening times.

There are many challenges of maintaining a VITA site, and what the research team found was that the VITA program lacks a centralized location to be able to easily access any information on VITA sites they intend to visit. The IRS website does include some information about the VITA program itself, but it lacks any formal connections to the organizations who are in charge of the VITA sites. Individual organizations or non-profit companies could fund a website that has connections to each of these individual websites, such as FPP, which has a county by county [list](#) of connections to VITA sites in those areas. Other companies or organizations in other states could help fund a website that would provide information about the local VITA sites, and if enough states have independent VITA websites it could prompt the IRS to unionize them to make it more accessible to the public.

The next problem would be that the VITA program cannot directly accept donations for their volunteer service because they are a federal agency under the IRS. If they did, then the VITA

program would be directly competing in revenue with other tax preparation companies instead of remaining as a volunteer organization. However, the organizations that host the VITA sites can accept donations and use those funds to further expand or market the free tax services they offer. If VITA had a larger budget, then it could fix many issues such as improving marketing to gain additional volunteers and help more people file their taxes.

Conclusion

The VITA program has helped countless LMI families and individuals across the country file their tax returns, saving them thousands of dollars per year. Often times, the amount of money refunded to these people is a large percentage of their annual income, and having a reliable way to get their refund is a huge benefit to these families. It is vital for this program to continue to grow and reach these struggling families to assist them in obtaining financial stability, and hopefully, financial prosperity.

About the Research Team

Over the summer of 2018, FPP hired 19 bright minds to help come up with fresh ideas to solve issues within our current society. Two of these interning students are Sean Cook and Rahsean Scharon. Sean Cook is a student from Boone High School and is a part of the Academy of Finance program. Rahsean Scharon is a student from Ocoee High School and is part of the technical assistance program also known as an I-Knight.