

Share Our Strength Community of Practice Grant Case Study: Mississippi

Improving Access to Tax Credits for Families

Ilham Dehry, Poonam Gupta, Heather Hahn, and Elaine Waxman

April 2023

The American Rescue Plan Act of 2021 (ARPA) temporarily expanded the child tax credit (CTC) for most families with children. The CTC was already a key policy that reduces poverty among children and their families along with the earned income tax credit (EITC; Fox and Burns 2021); the CTC expansion increased the maximum credit for many and extended benefits to very low-income families who had previously been ineligible for the CTC or received only limited benefits (Tax Policy Center 2021). ARPA also mandated that up to half of a family's expected CTC be delivered as advanced payments. Families received monthly payments from July through December 2021. Shortly after payments began, food hardship dropped (Perez-Lopez 2021).

Barriers to Receiving CTC

To be eligible for the CTC, adults must have a child under age 17 that has a Social Security Number (SSN). The claiming adult is required to have either an SSN or an Individual Taxpayer Identification Number (ITIN). An ITIN helps those considered ineligible for SSNs comply with federal tax reporting and are generally used by noncitizens. For many families, monthly payments of the CTC began shortly after the ARPA passed, with the IRS using family and bank information provided on tax returns filed in 2019 or 2020. However, families with very low incomes, who often had not previously filed a tax return, were more likely to need to actively apply for the CTC and thus were at risk of missing out on the monthly payments. Families with very low incomes are often not required to file a tax return as they are below the filing threshold and are not eligible for tax credits with income requirements. In limited cases, the IRS may have been able to send advanced monthly payments based on information individuals provided to claim an economic impact payment (i.e., stimulus check) in calendar year 2020. But often these families would need to apply to receive the CTC. Even when a tax return had been filed, it could contain outdated information on who is supporting a child, which could result in money being sent to the wrong person. For example, if a child's parents are not married, the filer claiming the child could change from year to year (including grandparents and other guardians). Previously filed tax returns also would not include children born after those tax returns were filed. Those most likely to miss out on the automatic advanced payment were Hispanic/Latinx families, non-Hispanic/Latinx adults who are American Indian/Alaska Native, Native Hawaiian/Pacific Islander, or more than one race; adults with very low incomes, Spanish-speaking households, and families with mixed immigration statuses (Fischer et al. 2022; Karpman et al. 2021).

Description of Initiative

To improve awareness and take-up of the newly expanded CTC, Share Our Strength, a national organization working to end childhood hunger and poverty in the United States, provided grants to organizations and Volunteer Income Tax Assistance (VITA) sites in 13 states to improve outreach, tax assistance, and policy advocacy following the regular tax season (the regular tax season to file 2021 taxes opened January 24, 2022, and ended April 18, 2022). These organizations came together as a community of practice, learning together and sharing information in pursuit of their common goals. To facilitate learning from the experiences of the community of practice, the Urban Institute conducted an assessment of their successes, challenges, strategies, and results. These insights can inform ongoing outreach efforts for the expanded CTC, as well as outreach efforts for other tax benefits directed toward low- and middle-income families like the EITC. The most recent IRS and Census estimates of EITC participation suggest that 22 percent of eligible taxpayers failed to claim the EITC in 2018 (IRS 2022).

The Community of Practice

Share Our Strength worked throughout the grant period to intentionally build a community of organizations engaging in similar work. Share Our Strength regularly checked in with grantees and conducted bimonthly peer learning calls that involved experts sharing information on relevant topics including outreach and media and how to collect stories from clients, among others. Share Our Strength offered grantees access to SimplifyCT, a nationwide virtual VITA service that provides one-on-one support for grantees with questions about the CTC application process via a tax advice hotline. Another key partner of Share Our Strength is Code for America, a nonprofit organization that seeks to reduce the gap between the public and private sectors in their use of technology and design. The organization provided technical assistance on outreach and the use of GetCTC Simplified Filing Portal. Share Our Strength partnered with the National Disability Institute (NDI) to increase awareness of the CTC and other tax credits within the disability community. NDI provided office hours and webinars to grantee and subgrantee staff throughout the grant period on best practices to reach taxpayers with disabilities. Share Our Strength engaged a policy expert to consult with grantees advancing state-level tax policies. Finally, grantees could communicate with each other through the community of practice's Slack channel to share updates, questions, and lessons learned.

The Case Studies

The Urban Institute's assessment of the community of practice initiative includes a case study of grantees in 10 states, as well as two briefs on nationally focused work being led by the NDI and work with Native communities in three additional states (Montana, South Dakota, and Minnesota) supported by the Oweesta Corporation. Case study reports summarize and document grantees' activities, strategies, successes and challenges, best practices, and any actions taken toward improving equitable receipt of the CTC. The Community of Practice focused on four areas of work:

- Outreach intended to improve knowledge about tax benefits
- Tax assistance for families that had not yet received the CTC or other state or federal tax credits
- Collection of narratives that could help policymakers and advocates understand the importance of tax benefits
- Policy work intended to improve tax benefits in the future

This case study describes our approach and provides an overview of the grantees in Mississippi and their grant-funded activities, including their policy, outreach, and tax assistance work, and closes with information on their lessons learned and future goals. The material in the case study is based on the interviews that we conducted with grantees, subgrantees, and partners. Subgrantees are defined as organizations that received direct funding from the grantee, whereas partners are groups that grantees collaborated with without exchanging money.

Case Study: Mississippi

Mississippi State-Level Tax Environment

People in all states have access to the federal tax credits, but in some states, additional state tax credits benefiting similar populations exist. Mississippi does have a state income tax, but does not have any state-level tax credits.

Nationally, an estimated 79.3 percent of eligible taxpayers claimed the federal EITC in 2019, and in Mississippi, 82.6 percent of eligible taxpayers claimed the federal EITC (IRS 2022). Families eligible for larger benefits are more likely to receive the EITC and the majority of people eligible for the EITC that do not receive the EITC do not file a tax return (Holt and Duratinsky 2021; Goldin 2018). CTC participation is less well understood. In general, participation is likely higher than that of the EITC. The vast majority of families eligible for the CTC file tax returns each year. In 2021, the participation rate likely dropped slightly since families not required to file a return were made eligible for the full benefit.

Demographic Data on Families with Children

The national median annual household income for households with children under 18 in 2021 was \$84,197 and was \$60,996 in Mississippi.¹ The average national child poverty rate in 2021 was 16.9 percent, compared with 27.1 percent in Mississippi.²

A majority of people in Mississippi identify as white, non-Hispanic (56 percent), 38 percent identify as Black, non-Hispanic, and 6 percent identify as Hispanic, non-Hispanic American Indian or Alaska Native, non-Hispanic Asian, non-Hispanic Native Hawaiian or Pacific Islander, or non-Hispanic and

¹ Median Family Income in the Past 12 Months (In 2021 Inflation-adjusted Dollars) by Presence of Own Children Under 18 Years," Table B19125, ACS 2021 1-year, Census Reporter, 2021, https://censusreporter.org/data/table/?table=B19125&geo_ids=040|01000US&primary_geo_id=01000US.

² "Small Area Income and Poverty Estimates (SAIPE): Under Age 18 in Poverty," United States Census Bureau, 2021, https://www.census.gov/data-tools/demo/saipe/#/?s_measures=u18.

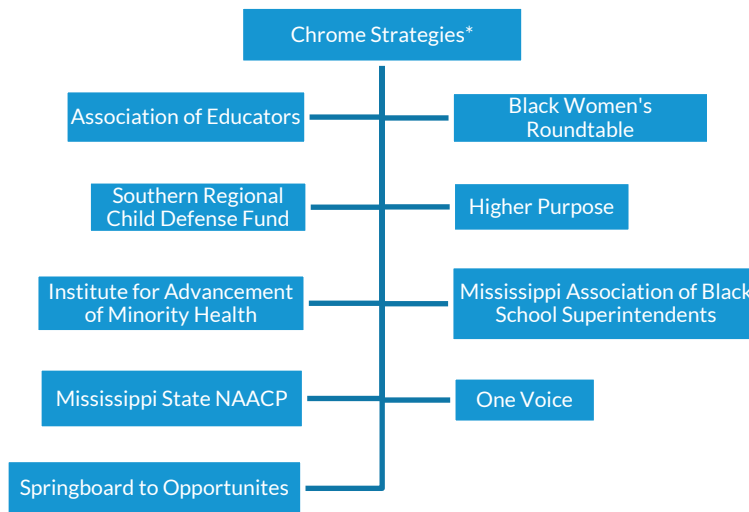
some other race.³ Mississippi also has a food insecurity rate of 15.3 percent, compared with 10.4 percent nationally.⁴ Mississippi’s Senate and House both lean Republican.

Grant Structure in Mississippi

In Mississippi, the main grant recipient is Chrome Strategies, an organization focused on community engagement and advocacy on political and policy issues (table 1). In response to the grant opportunity, Chrome Strategies created the Economic Inclusion Coalition, a network of nine organizations in the state with whom they had existing relationships, to support CTC outreach and advocacy. The nine subgrantees are Association of Educators, Mississippi Black Women’s Roundtable, Southern Regional Child Defense Fund, Higher Purpose, Institute for Advancement of Minority Health, Mississippi Association of Black School Superintendents, Mississippi State NAACP, One Voice, and Springboard to Opportunities.

Figure 1 shows the grantee and subgrantee network structure in Mississippi. We interviewed the grantee, Chrome Strategies, in the fall of 2022.

FIGURE 1
Grantee, Subgrantee, and Partner Network in Mississippi



URBAN INSTITUTE

Source: Share Our Strength Community of Practice.

Notes: We interviewed those with an * next to the name.

³ See table DP05 from the 2021 5-year ACS estimates in “Census Data,” United States Census Bureau <https://data.census.gov>.

⁴ Alisha Coleman-Jensen, Matthew P. Rabbitt, Christian A. Gregory, and Anita Singh, “Household Food Security in the United States in 2021,” September 2022, <https://www.ers.usda.gov/publications/pub-details/?pubid=104655>.

TABLE 1

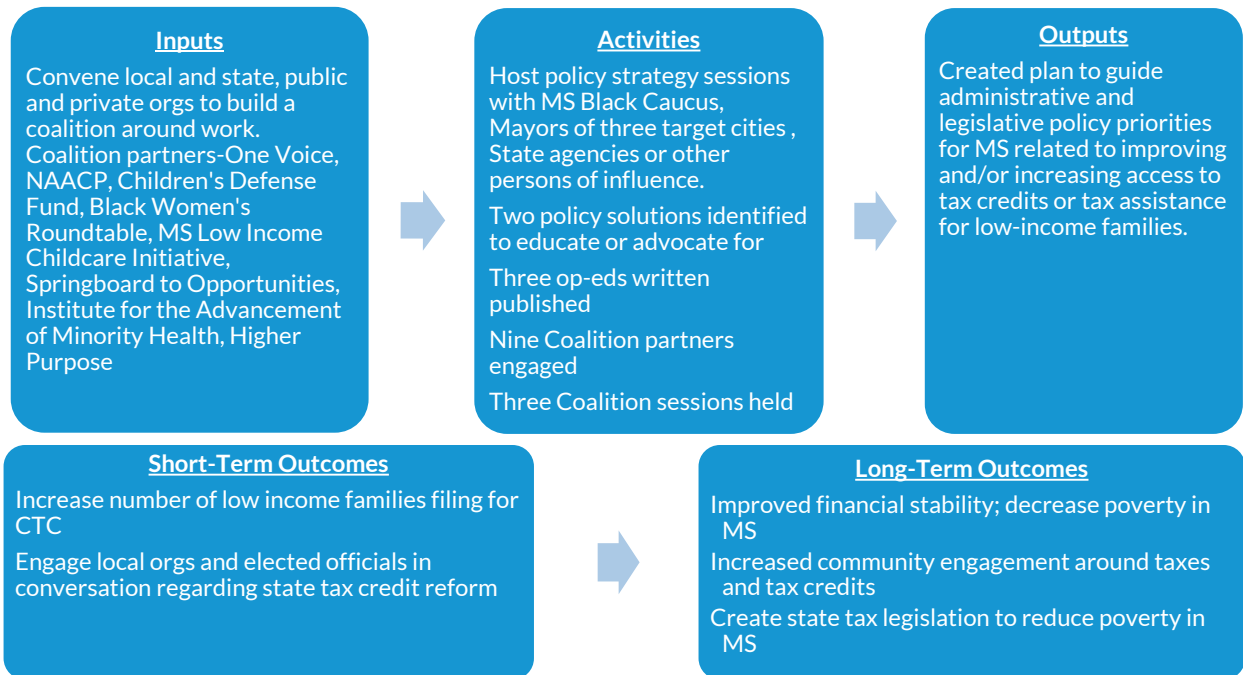
Description of Interviewed Grantees and Subgrantees in Mississippi

Grantee/Subgrantee	Description of Organization	Grant Activities	Target Population
Chrome Strategies	Statewide organization focused on community engagement and advancing social and economic policies	Organized nine organizations to conduct CTC education and outreach across the state. Engaged with state officials and local leaders to advance a proposal for a statewide CTC	Low-income households and communities of color

Source: Organization websites and interviews with grantee.

FIGURE 2

Logic Model for Mississippi Economic Inclusion Coalition



URBAN INSTITUTE

Outreach Work

Grantees identified a minimum of two communities in their state to deliver post-tax season outreach to encourage enrollment in the CTC, EITC, and other relevant benefits. Grantees were allowed to develop and employ a wide range of strategies. Some grantees utilized GetCTC's unique URL system, an outreach tracking weblink that allowed GetCTC staff to track how many people were reached that started a tax return—a helpful metric in gauging effectiveness of outreach strategies. GetCTC is a national online platform developed by Code for America (CFA) that allows families with children with incomes below \$25,000 to claim a CTC without filing a full tax return. Upon request, CFA created a unique URL for organizations working on reaching out to these communities to use to better track how people found GetCTC.

Mississippi's outreach strategy centered around building general awareness through a multitude of partners and stakeholders.

Chrome Strategies

- Led Mississippi's mass CTC outreach efforts and built a coalition of organizations to support social and economic efforts.
- Conducted meetings with state legislature, county government, and other local leaders to educate on the CTC and its value for the community and economy.
- Organized in-person informational events, disseminated information at existing festivals and community events, and conducted door-knocking to advertise CTC.
- Worked with partner organizations to promote CTC.org across multiple mediums, including social media posts and op-eds featured in local newspapers.

FIGURE 3

Child Tax Credit Outreach Flyer Used in Mississippi



Successes

- **Creating Economic Inclusion Coalition.** Chrome Strategies created a network of nine organizations to support CTC outreach and advocacy. This coalition is a first step in advocating for policies that will improve the social and economic conditions for Mississippi residents.
- **Meeting people where they are.** Chrome Strategies sought out families who could benefit from the CTC through door-knocking and organized events. The organization held informational events and leveraged existing events, such as back to school nights and Juneteenth celebrations, to disseminate information on the CTC.

Challenges

- **Timing of grant receipt.** Chrome Strategies, like all SOS grantees, did not receive the grant until May, after the regular tax season had already ended. Outreach efforts could have had a greater impact if they had started educating people prior to tax season, and it would have enabled them to connect residents with free tax services during the tax season.
- **Some outreach strategies have lower impact.** Initial outreach was done primarily through door-knocking. This tactic was time-consuming and prevented the organization from reaching a wider audience.
- **Limitations due to the COVID-19 pandemic.** The grantee found that turn-out at large events was lower than at events they organized prior to the pandemic. They have also found it difficult to engage with the school districts, as schools are less likely to welcome visitors due to COVID-19 precautions.

Tax Assistance Work

Grantees in the cohort can either be statewide nonprofit organizations that engage in advocacy, policy, and outreach work, or they can be VITA sites. VITA sites offer free tax preparation help to low-income individuals, persons with disabilities, the elderly, and non-English speakers that otherwise face barriers preparing tax returns, including claiming valuable tax credits. Nationally, about 60 percent of tax returns are prepared with the help of a tax preparer, though it is not a requirement that one be used. Although VITA sites are used to prepare a relatively small amount of all returns (less than 2 percent of tax returns with incomes less than \$30,000 are filed each year with VITA sites), they provide a critical resource that allows people to avoid costs associated with using a paid tax preparer and receive the full value of their tax credits.⁵

In Mississippi, Chrome Strategies and their subgrantees were not involved in direct tax preparation services. Organizers in Mississippi provided education on the CTC and directed community members to GetCTC.org for application assistance. Chrome Strategies noted that they could have directed more residents to VITA sites if they could start outreach before the tax season began.

Collecting Participant Data

Share Our Strength believes that client narratives can be a powerful advocacy tool, helping policy makers understand the impact of tax credits for low-income families. Chrome Strategies connected with Mississippi families through regional teams that attended festivals, churches, and other community events. The outreach workers listened to clients' stories and shared them with the grantee. Chrome Strategies would reconnect with these families to formally capture their experiences and used these narratives to increase awareness of the impact the CTC had for families and inform legislation.

⁵ "Why Do Low-Income Families Use Tax Preparers?" Tax Policy Center's Briefing Book, Tax Policy Center, accessed March 23, 2023, <https://www.taxpolicycenter.org/briefing-book/why-do-low-income-families-use-tax-preparers>.

Policy Agenda

Share Our Strength also encouraged their grantees to partner with key stakeholders to identify and implement strategies to advance legislative or administrative priorities aimed at increasing access to tax credits. Most states include advocating for a state-level refundable CTC or EITC if the state does not already have one in their policy priorities. Other priorities include administrative changes such as creating simplified filing portals, advocating for tax forms in different languages, and data sharing between the IRS and state agencies. In regard to the simplified filing portals, at the time of the advanced CTC payments, the IRS faced a tremendous backlog of paper forms (GAO 2022). Families were encouraged to claim the CTC electronically to avoid new paperwork getting caught up in existing delays.⁶ Given the diversity of political environments across the cohort, this work may have taken many forms. Unlike short-term outreach efforts to increase access to tax credits, policy work is typically a long-term endeavor.

In Mississippi, Chrome Strategies has focused on an incremental approach to improving social and economic conditions in the state. The organization noted that Mississippi officials typically do not “prioritize this type of spending or support for citizens, particularly communities of color.” Because of this, they focused on educating members of the state legislature on the value of the CTC for the community and the economy, and primarily engaged with favorable counties interested in outreach, school boards, and other stakeholders to garner support for policies.

Overall, their long-term goal is to advocate for state-level policies that promote economic security and inclusion. Because the current policy landscape in Mississippi can work in opposition to their objectives, they find it equally important to focus on fighting policies that go against these goals, such as pushing back on efforts to cut the state income tax, which could reduce funding for essential social assistance programs. As a result of their ongoing advocacy efforts, a Mississippi state representative introduced House Bill 1524, which would establish a state tax credit for families eligible to receive the federal CTC.

Lessons Learned and Future Goals

The expanded CTC in 2021 included substantial benefits for people who had previously received only limited benefits from the CTC. To deliver those benefits, advocates in many states worked together to reach the communities least likely to receive the credit including Hispanic/Latinx, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, and low-income families. The temporary nature of the credit also offered an opportunity for organizations to advocate for the credit’s continuation at the federal level, or supportive state policies.

Share Our Strength facilitated groups in states working together toward improved outreach, policy and advocacy, and access to tax assistance. This community of practice met regularly, shared strategies,

⁶ “2022 Tax Filing Season Begins Jan. 24; IRS Outlines Refund Timing and What to Expect in Advance of April 18 Tax Deadline,” IRS, January 10, 2022, <https://Content.Govdelivery.Com/Accounts/USIRS/Bulletins/304f388?Reqfrom=Share/>.

and generally coordinated efforts in the hopes of having a larger impact than they would have if they had not collaborated.

Lessons Learned

- Going into communities and seeking out the people that need support is important. Chrome Strategies and its subgrantees reached out to more families by connecting with them in their homes, schools, and religious institutions.
- Chrome Strategies noted that, “Half of advocacy work is education.” It is essential to provide education on policies and opportunities for both the community and leaders.
- Outreach efforts can have the greatest impact if they begin early. With tax work, it is particularly important to educate communities and point them to resources before the tax season begins.

Future Goals

- Chrome Strategies plans to leverage the Economic Inclusion Coalition and expand their policy work. The organization will continue advocating for policies that support Mississippi families, such as a statewide CTC.

References

- Fischer, Brett, Hilary Hoynes, Karla P Castellanos, and Aparna Ramesh. 2022. “[Estimating the Realized Gains of the Expanded Child Tax Credit in California](#).” Working Paper 2022(1). Los Angeles: California Policy Lab.
- Fox, Liana, and Kalee Burns. 2021. “[The Supplemental Poverty Measure: 2020](#).” Suitland-Silver Hill, MD: US Census Bureau.
- GAO (US Government Accountability Office). 2022. “[Tax Filing: Backlogs and Ongoing Hiring Challenges Led to Poor Customer Service and Refund Delays](#).” Washington, DC: GAO.
- Goldin, Jacob. 2018. “Tax Benefit Complexity and Take-up: Lessons from the Earned Income Tax Credit.” *Stanford Tax Law Review* 72(59). <https://law.stanford.edu/publications/tax-benefit-complexity-take-lessons-earned-income-tax-credit/>.
- Holt, Steve, and Dara Duratinsky. 2021. “[The Earned Income Tax Credit Participation Gap: How VITA Programs Can Use Data and Their Own Knowledge of Their Communities to Close the Gap](#).” Washington, DC: Prosperity Now.
- IRS (Internal Revenue Service). 2022. “[EITC Participation Rate by States Tax Years 2012–2019](#).” Washington, DC: IRS.
- Karpman, Michael, Elaine Maag, Genevieve M. Kenney, and Douglas A. Wissoker. 2021. “[Who Has Received Advance Child Tax Credit Payments, and How Were the Payments Used?](#)” Washington, DC: Tax Policy Center.
- Perez-Lopez, Daniel J. 2021. “[Household Pulse Survey Collected Responses Just before and Just after the Arrival of the First CTC Checks](#).” Suitland-Silver Hill, MD: US Census Bureau.
- Tax Policy Center. 2021. “[Key Elements of the US Tax System](#).” Washington, DC: Tax Policy Center.

Acknowledgments

This case study was funded by Share Our Strength. These case studies were produced in partnership with Share Our Strength, who facilitated the Community of Practice. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute’s funding principles is available at www.urban.org/fundingprinciples.



ABOUT SHARE OUR STRENGTH

At Share Our Strength, we’re ending hunger and poverty—in the United States and abroad. Through proven, effective campaigns like No Kid Hungry and Cooking Matters, we connect people who care to ideas that work.

1030 15th Street, NW Suite
1100 W Washington, DC
20005

www.shareourstrength.org



ABOUT THE URBAN INSTITUTE

The Urban Institute is a nonprofit research organization that provides data and evidence to help advance upward mobility and equity. We are a trusted source for changemakers who seek to strengthen decisionmaking, create inclusive economic growth, and improve the well-being of families and communities. For more than 50 years, Urban has delivered facts that inspire solutions—and this remains our charge today.

500 L’Enfant Plaza SW
Washington, DC 20024

www.urban.org

Copyright © April 2023. Urban Institute. Permission is granted for reproduction of this file, with attribution to the Urban Institute.