



TAX POLICY CENTER
URBAN INSTITUTE & BROOKINGS INSTITUTION

HELPING MARYLAND CONNECT UNDERSERVED RESIDENTS TO CRUCIAL STATE TAX CREDITS

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EXECUTIVE SUMMARY

The Urban Institute, in partnership with the Comptroller of Maryland, researched where and why Marylanders may be missing out on the state's largest income tax credits they are eligible for, particularly the state's earned income tax credit (EITC) and child tax credit (CTC). With our findings and strategy recommendations, Maryland's leaders, and other state and local leaders nationwide, can ensure that available outreach and tax filing resources reach those who need them most.

Tax credits like the EITC and the CTC are proven tools for reducing food insecurity and other material hardships (Parolin et al. 2021). Together, these tax credits lift millions of children and families above the poverty line each year (Shrider 2024). Their success in rewarding working individuals has prompted the District of Columbia and over 30 states, including Maryland, to create their own state-level EITCs¹ and CTCs.²

However, claiming federal and state tax credits can be complicated.³ According to the Internal Revenue Service (IRS), one in five eligible US households do not claim the federal EITC.⁴ And since state-level EITCs have similar rules and filing requirements to those of the federal credit, there are likely uptake gaps on the state level as well (Iselin, Mackay, and Unrath 2023).

To claim the federal or state EITC or CTC, a taxpayer must file a tax return. Besides meeting income criteria, families with children must sort through various relationship and residency rules.⁵ Prior research has shown that households that do not receive the federal credit may be unaware they are eligible for it,⁶ or are discouraged by the filing process (Godinez-Puig, Boddupalli, and Mucciolo 2022). Further, eligibility rules are different between the federal tax credits and their state counterparts. For example, residents between the ages of 18 to 24 who have no children can be eligible for Maryland's EITC but not the federal EITC.⁷ Similarly, taxpayers with individual taxpayer identification numbers (ITINs), who are typically (but not always) undocumented immigrants who cannot obtain Social Security numbers, can be eligible for the state's EITC but not the federal EITC.

Such eligibility differences can add confusion for taxpayers and tax preparers during filing season—they may assume ineligibility for state tax credits because the federal tax credits have existed for longer and are more prominent. While the federal government has identified key groups at risk of missing out on the federal EITC, similar insights are often lacking at the state and local levels because of research and capacity constraints. Our project sought to better understand who may not be accessing state tax credits like the EITC or CTC they are eligible for, and what states can do about it.

This project seeks to fill that gap through mixed methods research. We conducted stakeholder interviews with Maryland's government and community leaders, quantitative data analysis of de-identified state tax data, and focus groups with diverse households across the state. Findings from each of these phases informed a set of strategies meant to equip state and local officials, community leaders, and tax service providers with actionable next steps to improve the uptake of state tax benefits.

These strategies include the following:

1. Build trust with communities through partnerships with diverse local nonprofits and trusted messengers across the state.
2. Disseminate information and resources through a variety of settings and media.
3. Routinely incorporate information on tax filing services into outreach campaigns and bolster tax preparation options.
4. Foster further cross-agency collaboration.
5. Empower residents through education programs on tax filing and tax credits.
6. Prevent and correct tax frauds.
7. Create and integrate evaluation metrics.

In "[Strategy Playbook for Improving Uptake of State Tax Benefits](#)," we offer insights on how to operationalize these strategies into action (Godinez-Puig et al. 2025). Further information about the project, including links to all related publications, is available on our project page.⁸

HELPING MARYLAND CONNECT UNDERSERVED RESIDENTS TO CRUCIAL STATE TAX CREDITS

LITERATURE REVIEW

Tax credits like the earned income tax credit (EITC) and child tax credit (CTC), while among the most effective antipoverty tools in the US, are not reaching everyone who is eligible. For example, about 19.2 percent of eligible people nationwide, and 17.8 percent of eligible Marylanders, did not claim the federal EITC for tax year 2022.⁹ According to the IRS, people likely missing out on the federal EITC include those who live in rural areas, are self-employed, receive disability income or have children with disabilities, do not have a qualifying child, are not proficient in English, or are grandparents raising grandchildren.¹⁰

Prior research has demonstrated that outreach and awareness campaigns can be important strategies to increase uptake of both federal and state-level tax credits, especially when designed carefully and with consideration for provision of filing services (FTB 2022; Goldin et al. 2022). Survey research in California has shown that tailoring language to meet the needs of specific populations who may be less likely to file taxes, including people without SSNs, those who are unbanked, and those who are highly stressed about their finances, is important for outreach campaigns (Mockingbird Analytics et al. 2025).

Trusted messengers, or those who are familiar and credible figures in local communities, can be essential to informing eligible residents about tax benefits. Neighborhood canvassing and word of mouth, in collaboration with trusted messengers, tends to help people learn about tax benefits and tax filing.¹¹ Previous work found that partnering with social services agencies or food banks increased federal CTC participation, especially for historically underserved populations (Maag et al. 2023). These trusted messengers may include family or friends, advocates, church leaders, teachers or school administrators, local government officials, and local employers, among others.

The ideal messengers vary by community. Volunteer Income Tax Assistance (VITA) sites, which largely cater to households with low incomes who are likely to be eligible for income-boosting tax credits, are more effective in recruiting volunteers and promoting services to new audiences when they partner with churches, libraries, and municipal offices to host services, especially for linguistically diverse communities. Further, outreach campaigns that are linguistically and culturally tailored to specific communities, with culturally relevant messaging, resonated more in these communities than “one-size-fits-all” campaigns.¹²

For those who may not have access to computers or web-based services, having flyers and service sites in routinely visited destinations like libraries or job placement sites can be important, as can working in partnership with community-based organizations that serve specific populations, such as domestic violence survivors,

immigrants, and unhoused populations (Cox et al. 2021). The demographic composition of messengers may matter too: for example, researchers found that to get more people to file and claim their benefits, it was important for outreach workers to reflect their local communities, particularly for residents who were not automatically receiving advanced payments during 2021's federal CTC expansion (Maag et al. 2023).

Studies have shown that different groups respond to different kinds of materials. For rural populations, researchers found that a combined strategy of automated phone calls and mailer campaigns were helpful in increasing awareness and uptake of the federal EITC, whereas online strategies did not have similar impacts (Mockingbird Analytics et al. 2025). Materials that are in a population's native language and culturally sensitive can be essential to increasing uptake among immigrant communities and households with limited English proficiency.¹³

Prior research shows that first-time filers could benefit from follow-up mail reminders (Mockingbird Analytics et al. 2025). For those who are pregnant or have young children, outreach campaigns led jointly by local health care centers and community-based organizations can be effective in increasing community trust and awareness (Airi, Godinez-Puig, and Rueben 2022; Chavez et al. 2025). And, outlets with culturally tailored information, including radio, public events, and specific social media accounts, can be key to reaching certain immigrant communities (Godinez-Puig, Boddupalli, and Mucciolo 2022).

Multimodal outreach campaigns, which disseminate tax information across varied media, can be key to reaching and sticking with wide swaths groups of people. For example, a nationwide survey paired with 25 in-depth interviews with Illinois residents showed that, on average, respondents named at least three trusted sources where they got information about tax credits (Singh 2025).

How outreach materials are worded matters too. Messaging that presents the EITC as money already owed to recipients, or as funds that rightfully belong to them, can help boost uptake (Mockingbird Analytics et al. 2025). And language about "missing money" or "extra income" resonates far more than tax-specific terms like "credits" or "returns" (Singh 2025).

Finally, businesses that employ those who may be eligible for tax credits can also contribute to raising awareness by notifying their employees about tax benefits they are eligible for—in fact, many states, including Maryland, have implemented policies requiring employers to do so.¹⁴ Although, current evidence has indicated that these may not meaningfully increase uptake of tax benefits (Cranor, Goldin, and Kotb 2019).

Importantly, prior research has shown that increasing awareness without offering meaningful pathways to free or low-cost tax filing services is unlikely to increase uptake of tax benefits (Goldin et al. 2022; Linos et al. 2020). Effective free tax preparation services further require hiring and training staff that can culturally and linguistically relate with the populations they serve, in addition to having the technical competencies to ensure eligible residents get their tax benefits (Godinez-Puig, Boddupalli, and Mucciolo 2022; Mockingbird Analytics et al. 2025). VITA sites that combine cultural and linguistic competency with tax preparation expertise, in part by

hiring experts and volunteers, are able to support clients more effectively than traditional translators without tax training.¹⁵

Additionally, sufficient funding for community organizations to engage in both outreach and tax preparation services can increase tax filing and benefits access (Chapin Hall and APHSA 2023; Maag et al. 2023). In California, for example, increased funding led to community-based organizations recruiting more volunteers, hosting more in-person tax preparation sites, and expanding both online and in-person services (FTB 2022; Mockingbird Analytics et al. 2025). More recently, the IRS's Direct File program making free, online tax filing services more accessible for families helped facilitate access to the EITC and CTC, including among people who were previously nonfilers.¹⁶

Across the US, government and community stakeholders are thinking outside the box about ways to reduce administrative barriers to filing taxes and thereby increase benefits access. On the government's side, one such avenue is cross-agency collaboration, as state agencies that administer nontax public benefit programs could help increase awareness of the EITC and CTC in their regular communications (Cox et al. 2021).¹⁷ For example, after expanding its state-level tax credits, Colorado integrated tax benefit eligibility information into outreach campaigns run by other government agencies (Boddupalli and Godinez-Puig 2024). Through its "Get Ahead Colorado" statewide awareness campaign led by the Colorado Department of Public Health and Environment, the state also developed and shared partner toolkits in English and Spanish, providing both benefits eligibility information and tax filing service option.¹⁸ State agency staff, who have regular interactions with beneficiaries of food nutrition and family assistance programs, could also provide tax filing referrals (FTB 2022; Singh 2025). And, household income and family composition data, pooled securely across state agencies, could be an input for targeted outreach lists or help facilitate a one-stop portal for residents to check eligibility across multiple benefits and submit streamlined applications and tax returns (FTB 2022).

Some research has examined simplified or automatic tax filing, but more information may be needed to fully understand the feasibility and scalability of solutions (Chapin Hall and APHSA 2023; Singh 2025). There may be opportunities for state and local governments to create opt-in programs that use existing state data and information from other statewide benefits programs to estimate eligibility and facilitate tax outreach (Singh 2025). Those who are not required to file because their incomes are too low may not find it worth their time, resources, and energy to deal with tax filing, especially if their potential tax benefits do not exceed the costs of dealing with paperwork and filing processes (Gosliner et al. 2025).¹⁹ Others have suggested state and local governments pilot processes for automatic qualifying and benefits receipt, especially if state eligibility requirements align with those of federal credits (Wielk and Snyderman 2024). However, many states, including Maryland, have expanded their tax credits' eligibility beyond those of the federal credit, and those populations, including undocumented immigrants and young adults without custodial children, may be the ones most likely to be missing out on their earned benefits (Boddupalli and Godinez-Puig 2024; Coffey et al. 2024).

Most outreach campaigns so far may have been designed with short-term goals, but prior work demonstrates the need for more long-term tax education and reducing administrative barriers. For example, learning barriers come in the way of people accessing federal tax benefits, as people do not know about it, confuse it with other credits, or are unaware that they may be eligible even if they are below the tax filing threshold (Gosliner et al. 2025; Singh 2025). Boosting education about not just eligibility and access, but also what impacts such tax credits can have on people's incomes, asset-building, and well-being, may be important (Tackie et al. 2011). Civic education and financial literacy programs are two avenues that may be underutilized with regard to income-boosting tax credits. States could also promote or market tax filing as an opportunity to access earned resources and normalize unintended mistakes as a part of the tax filing process to reduce people's anxieties about filing incorrectly and getting audited (Singh 2025). Lastly, tax scams and frauds are additional administrative and psychological barriers for taxpayers, and states have a critical role in addressing them. For example, experts suggest vetting independent tax preparers for referrals when VITA sites cannot meet demand, and for Congress to pass legislation to establish minimum competency standards, including IRS-mandated registration requirements, examinations, and continued professional education for all paid tax preparation individuals and businesses (Tax Equity Funders Network and Prosperity Now 2023). Others suggest legislation to prevent predatory pricing by individuals and firms providing paid tax preparation and ITIN application services (Mockingbird Analytics et al. 2025).

METHODOLOGY

The project posed two key questions:

- What are the barriers preventing Maryland residents from accessing state tax benefits?
- What are the most effective outreach, community engagement, and tax filing supports to increase the uptake of tax benefits for eligible Maryland residents?

To answer these questions, we conducted a sequential mixed-methods research project through three phases: stakeholder interviews with those involved in tax outreach or tax filing services, a quantitative analysis of de-identified and aggregated state tax data, and six focus groups with populations likely missing out on tax benefits. We describe each phase in detail below.

Phase 1: Stakeholder Interviews

We interviewed 19 government and community leaders engaged, either directly or indirectly, in tax outreach or tax filing services across the state of Maryland. Stakeholders consisted of government officials working on tax benefit programs and other social assistance or safety net programs; community leaders of advocacy, nonprofit, and faith-based organizations, VITA preparers and other tax professionals, and researchers with expertise in EITC and CTC uptake.

Our goal was to understand the challenges Marylanders face in accessing the state's EITC and CTC and explore potential solutions. Each interview lasted between 45 minutes and an hour, and took place over Zoom or Teams. We talked about each interviewee's background and role within their institutions, including their involvement with tax credit outreach, as well as the different outreach efforts that their organizations had undertaken in the past couple of years to increase awareness on taxes and provide tax services for taxpayers. Lastly, we heard from participants about ongoing partnerships with government agencies and community organizations. We took notes, recorded a transcript of our conversations, and wrote memos after each conversation. Based on our memos, we created an initial codebook from the themes that emerged from all conversations. We then used NVivo to code the conversations and improved our codebook along the way. At least two team members worked on coding the interviews to ensure intercoder reliability.

TABLE 1

List of Stakeholder Interviewees

Name	Role and organization	Affiliation
Allister Chang	Co-Founder and COO, Fabric Health	Community
Andi Overton	Director of Office of State Public Engagement, Comptroller of Maryland	Government
Charlotte Davis	Executive Director, Rural Maryland Council	Government
Colin Murphy	Chief Performance Officer, Maryland Department of Human Services	Government
Deli Okafor	Public Engagement Officer (Baltimore City, Baltimore County, and Howard County), Comptroller of Maryland	Government
Devyani Singh	Data and Strategic Impact Lead, New Practice Lab, New America	Community
Eduardo Mendes	VITA Program Specialist II, Montgomery County Community Action	Government
Janice Shih	Professor of the Practice and Director, Low-Income Taxpayer Clinic, University of Baltimore Law School	Community
Kali Schumitz	Vice President for External Relations, Maryland Center for Economic Policy	Community
Kelly Bernard	Operations Manager, Garrett County Community Action	Community
Kyarah Mair	Senior Program Associate, Tax Operations, CASH Campaign of Maryland	Community
Lucy Smart	Director of Tax Education and Training, CASH Campaign of Maryland	Community
Mary Handley	Public Engagement Officer (Eastern Shore and senior citizens), Comptroller of Maryland	Government
Pablo Blank	Director of Immigrant Integration, CASA	Community
Rev. Hermia Shegog Whitlock	First Lady and Executive Minister, Reid Temple AME Church	Community
Robin McKinney	Co-Founder and CEO, CASH Campaign of Maryland	Community
Sergio Polanco	Public Engagement Officer (New Americans and immigrant communities), Comptroller of Maryland	Government
Simone Brody	Special Projects Fellow, New Practice Lab, New America	Community
Susan Inman	Deputy Secretary, Governor's Office for Children	Government

Source: Authors' analysis of stakeholder interviews.

Notes: Roles and organizations as of March 2025. "Community" refers to nonprofit advocacy, research, faith-based, academic, and service organizations.

Phase 2: Quantitative Data Analysis

We received de-identified and aggregated state tax data from the Comptroller of Maryland on the state's EITC and CTC (including the numbers of EITC-eligible tax units and EITC-claiming tax units) at the state, county, and zip code levels for tax years 2020 through 2023. Consistent with prior research,²⁰ we overlaid US Census Bureau data with Maryland's de-identified tax data, to allow us to compare the demographics of the top counties and the top zip codes with the rest of the state. We used R to clean, overlay, and analyze the data.

Our analysis focused on identifying both the shares and counts of qualifying tax units for the EITC that did not claim the EITC. The reason we looked at both differences in counts and shares is because, together, they paint a fuller picture. Stakeholder interviews also suggested that focus on both of these measures was crucial. For example, if only looking at counts, we may miss out on areas of interest that do not have large populations but do have a high share of their small populations missing out on claiming the EITC. Conversely, if only looking at shares, we may leave out areas of interest that have many more people missing out on the EITC but because there are larger populations in general in that area, they have lower shares.

An important limitation to note is that quantifying EITC-eligible tax units is challenging due to the myriad eligibility requirements. The state EITC eligibility hinges upon tax filers' income level, filing status, and number of dependents, so these estimates capture all Maryland tax units who, based on their tax information for that given year, fit those criteria. This data also filters out tax filers ages 65 years or older, those married filing separately, dependent taxpayers, and those with investment income above the varying annual limits; these groups of tax filers are typically not eligible for the state's EITC. These are still imperfect estimates because administrative data cannot fully account for a nonclaimant's eligibility under certain eligibility rules, such as whether a head of household paid more than half of costs of keeping up their home.

Phase 3: Focus Groups

The first and second phases informed our methodology for the third phase, in which we conducted focus groups in six counties with a variety of representative populations. Focus groups participants belonged to the groups and lived in the counties identified in phase 2. Between April and August 2025, we conducted six focus groups to better understand Marylanders' knowledge of and experiences with accessing the state's EITC and CTC.

To recruit eligible participants for our focus groups, we partnered with local community organizations. Our goal was to facilitate focus groups with eight to ten participants each. We developed and administered a screening survey in partnership with each local community organization partner to (1) assess participants' eligibility for claiming the EITC and CTC and (2) assess if participants were among those most likely to miss out on tax credits. In total, 222 individuals completed the survey. From this group, 101 met the screening requirements and were selected to participate in the focus groups.

In total, 52 people participated in the six in-person focus groups and the conversations were conducted in English and Spanish. To make participants feel comfortable, the focus groups took place at the offices of our local partners, which were generally locations that participants were familiar with. All participants were given a \$100 gift card each to thank them for participating, and we provided breakfast, lunch, or dinner during the focus group as well as child care for those that required it. Participants were told that they could share as much as they wanted and could leave at any time with no impacts on their receipt of the thank-you gift card.

TABLE 2
Breakdown of Focus Groups

Location	Population	Local partner
Montgomery County	Noncitizens, inclusive of mixed-status immigrant families	CASA
Baltimore City	Single parents and nontraditional caretakers (grandparents, foster parents, aunts/uncles)	CASH Campaign of Maryland
Baltimore County	Young adults (ages 18–34) and those with young children (ages under 5)	Community Assistance Network
Prince George’s County	Black households	Mission of Love Charities
Kent County	Families in rural areas	United Way of Kent County
Howard County	Young adults (ages 18–24) without custodial children	Community Action Council of Howard County

Source: Authors’ analysis of focus groups.
Notes: Participants in every focus group were screened for their eligibility for Maryland’s EITC or CTC. Conversations in the focus groups touched on the barriers that participants face for filing taxes, whether they had heard of the federal and state EITC and CTC, solutions to improve awareness of taxes, tax preparation services awareness and qualities, and the influence of today’s political context on filing taxes and claiming tax credits.

During all focus groups, we took notes and a transcript of the conversation. After each focus group, we wrote memos detailing the main themes that emerged from the conversation. Upon completion of all focus groups, we created a preliminary coding book where we listed major themes and subthemes we heard in our focus groups. We then used NVivo to code the conversations and improved our codebook along the way. Three members of the team worked on coding focus group conversations to ensure intercoder reliability.

We faced some limitations with our focus group logistics. Focus group recruitment was challenging due to attrition between those that expressed interest, those who were accepted to participate, and those who actually arrived to attend the focus group. This meant that some of the focus groups had more participants than others, though we ended up conducting more focus groups than originally planned and averaged over eight participants per focus group. Still, we interpreted the attrition as a finding in itself about the importance of building trust and ongoing collaboration with historically underserved populations.

FINDINGS

Phase 1. Stakeholder Interviews

Our conversations highlighted three main themes: strategies to best reach people, strategies to best serve people, and main areas of opportunity for future policy and program reforms. In most conversations, participants pointed to the importance of thinking about outreach as a dual and reinforcing effort between connecting people to resources and providing appropriate services for people to claim the tax benefits. Our findings suggest that the most effective outreach efforts will be ones that target both.

FIGURE 1

Increasing Uptake of Tax Benefits Requires Dissemination Plus Provision of Services



Source: Authors' analysis of stakeholder interviews.

BUILDING TRUST BETWEEN SERVICE PROVIDERS AND THE PEOPLE THEY SERVE IS ESSENTIAL TO OUTREACH ABOUT TAX BENEFITS

Community members are more likely to be receptive to information that comes from people and organizations they know. Participants uplifted that receiving resources and information from people that reflect and understand the community they serve is one important way to connect with residents. That effort will look different across communities and groups of people. For example, in rural areas, building trust may mean consistent and regular interactions over long periods of time. For immigrant communities, it may mean providing culturally competent and multilingual services.

To ensure all residents are connected to tax benefits, stakeholders pointed to the value of trusted messengers, like faith-based leaders, school staff, or local nonprofit organizations (see figure 1). Trusted messengers have deep connections to their communities and are seen as consistent and reliable sources of information.

“The most important word is trust. You need to go to a place where you trust—[where] they will not take advantage of you. They will not steal your money or they will not lie, and they will not put you in legal problems.”

—Community leader

Participants emphasized the importance of building partnerships between government and nongovernment organizations to ensure that trust is built with different types of communities and to ensure that that communications extend well beyond tax season.

COMMUNITY PARTNERS CAN INFORM WHICH OUTREACH STRATEGIES BEST FIT A PARTICULAR POPULATION

Different outreach strategies will be effective in different communities. Community partners will know what works best in their own communities, and outreach campaigns will be most successful if they are designed in partnership with and reviewed by community members. For example, our conversations highlighted that elderly residents in rural areas may not respond as well to online materials, since this group can be less familiar with technology or fear being scammed.

“In more rural areas...seniors have finally been trained to avoid scammers as much as possible. But now they hang up the phone—they don't trust anything they see on the Internet [which can be challenging].”

—Community leader

For noncitizen populations, having a native language speaker review materials, for not just correct translation and accuracy, but also cultural context, is crucial. For instance, the CTC is officially translated in Spanish as “crédito tributario por hijos;” this may be confusing because the word “crédito” in Spanish means “loan.” This translation can lead some Spanish speakers to believe that the CTC is a government loan that they will need to repay. A successful dissemination material, in this case, would seek to address this concern while remaining as close as possible to guidance officially disseminated by IRS.

Further, the capacity and willingness within the IRS to publish multilingual tax guidance and education resources,²¹ or support state efforts to do so, may vary across federal administrations. For example, under the current federal administration, the US Treasury Department’s equity action plans, equity hub, and advisory committee on racial equity, which were all instituted under the prior administration, have been disbanded.²² This may underscore the need for state and local governments to step up and lead their own equity priorities as deemed necessary.

Successful outreach strategies require creativity and tapping into a variety of mechanisms and media. That may include social media posts, newsletter reminders, cable TV or radio ads featuring trusted messengers, multilingual brochures and flyers, one-on-one conversations, and community-facing events (see figure 1). Stakeholders consistently reported the key to reaching people is having a variety of materials and approaches

with clear and easy-to-understand presentations, because no single material is likely to be viewed as trustworthy by all groups alike. Identifying what materials are most successful for different communities each tax season, in partnerships with community leaders, can lead to greater tax credit uptake.

“I have African communities. I have Korean communities. I have Chinese communities, Indian communities, and Hispanic/Latino communities. This is a huge cake, right? I'm in charge to make sure that these communities understand taxes in their language.”

—Government leader

EFFORTS TO INFORM PEOPLE ABOUT TAX BENEFITS GO HAND IN HAND WITH PROVIDING EFFECTIVE FREE TAX FILING SUPPORTS

Stakeholders mentioned that outreach campaigns often limit themselves to disseminating information, and do not focus, as much as they should, on the availability of free and easily accessible tax preparation services. Without the wider provision of these services, improvements in uptake are unlikely to materialize.

In addition to supporting existing VITA sites, free tax filing supports can include bringing tax clinics to the places people already frequent, like Social Security offices or health care facilities. We heard that staff from the Comptroller of Maryland could deepen partnerships with other state agencies to prepare materials and provide guidance on how best to sensitively and comprehensively share information on tax credit eligibility and tax preparation services to their respective constituents.

“Most people don't really care what government agency you're from. They don't care if you're from the Comptroller or DHS [Department of Human Services], they just want some help—: they want to get the money they're owed, or they're trying to figure out how to untangle the bureaucratic mess that they're in.”

—Government leader

Specific challenges to raise awareness among young adults about the EITC also reveal opportunities to improve tax filing and tax benefits access. Statewide government and community leaders expressed the need for tailored youth outreach, such as having a regional representative in charge of youth outreach in the Comptroller's office.

“We are really interested in developing partnerships where we see younger clients and find better solutions for younger clients, whether that's sharing free tax prep stuff with them or making educational resources just for them.”

—Government leader

They hypothesized that since young adults may not know they are eligible for the state's EITC, they do not file taxes and cannot claim any benefits. Prior research on the federal EITC suggests that this outcome may hinge on how large the refund is (Guyton et al. 2016).

“I think a lot of people think they're not making enough income to make it worth their while [to file taxes]. But if they knew they were getting that EITC, they would. I think it's a lot of younger people too who I just think haven't earned enough income to bother to file for that refund, even though it's like, 'Why not?' Because the EITC is like free money—it's your money.”

—Community leader

OUTREACH WORKERS AND TAX PREPARATION PROFESSIONALS AND VOLUNTEERS NEED TRAINING NOT ONLY IN TAX PREPARATION, BUT ALSO IN INTERPERSONAL SKILLS

With the right support, outreach workers and tax preparation professionals can help filers feel more at ease when discussing sensitive financial topics and be better equipped to explain what they did for the client's tax return (e.g., whether they claimed the standard deduction or itemized deductions) and why they did it (e.g., explaining the benefits of different approaches).

Interpersonal skills are especially important when providing free tax services in unusual settings, like a health care facility where people are not necessarily thinking about taxes. Tax clinics should train preparers to work with different kinds of filers, such as immigrants or people experiencing homelessness, and aim to recruit volunteers that belong to and regularly work with the populations they will serve.

“Popping up and walking up to somebody you don't know and [saying], ‘Share your information with us so we can help you with your taxes,’ is a wild way to start a conversation, right? And I've seen our families find that very abrasive.”

—Community leader

Stakeholders mentioned two important characteristics of tax preparers that can help build trust and bring in more people to file taxes consistently: (1) *representation*: tax preparers should be community members, in that they reflect and share personal experiences with the clients they serve and (2) *repetition*: tax preparers should serve in the same tax preparation sites year-over-year, such that they build familiarity over time with clients.

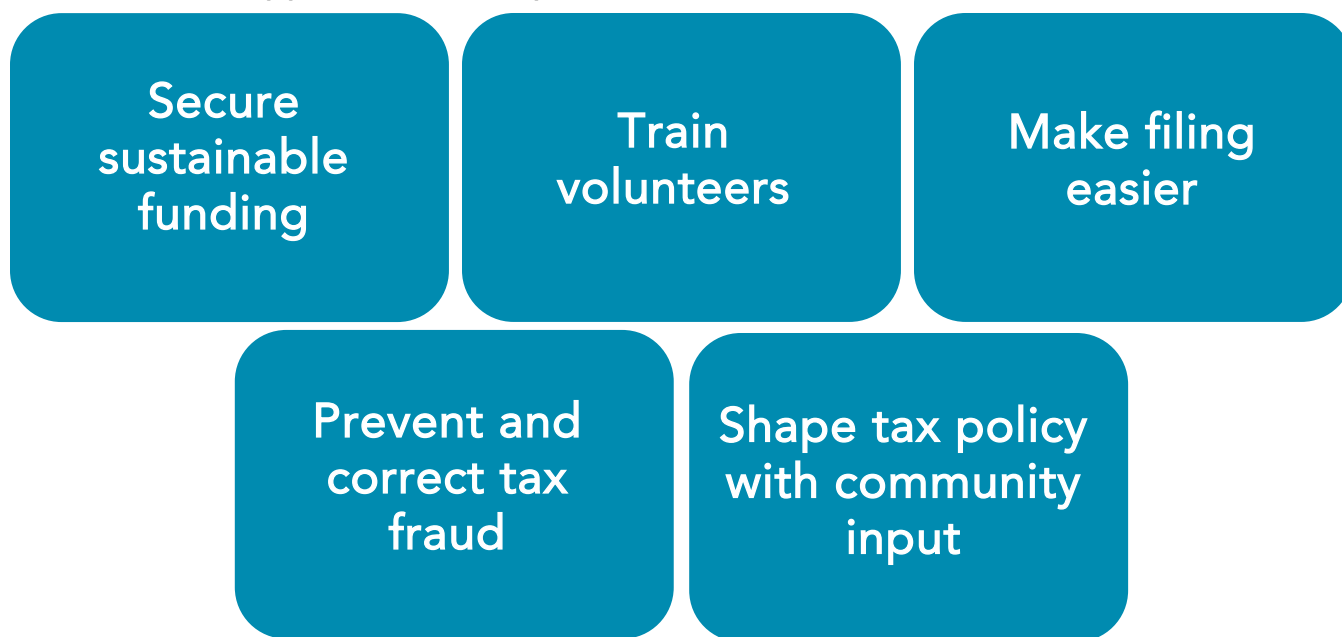
Some experts also noted that since the COVID-19 pandemic, the number of free tax preparation sites across the state may have declined, which could disproportionately affect rural areas where populations are more spread out. Meeting people where they are is important for bridging various barriers people are navigating, such as time, location, trust, cost, and competing priorities (caregiving responsibilities, for example). One way to accomplish this could be for the state or local government to partner with a local trusted messenger (such as a nonprofit organization, church, or school) in more rural areas of the state to host “pop-up” VITA sites.

BOOSTING BOTH TAX CREDIT OUTREACH AND TAX FILING SERVICES IS LIKELY TO IMPROVE OVERALL TAX CREDIT UPTAKE

Stakeholders noted that strategic, stable funding for nonprofit organizations and government agencies doing tax outreach and filing services is essential to maintaining capacity in the long term. Compared with one-time boosts, sustained investments can help build the infrastructure and staffing needed to service taxpayers consistently. Additional government support could also help community stakeholders build internal capacity, such as training their own staff to operate additional volunteer tax preparation sites or deepening their outreach for certain underserved populations. Funding could also help organizations create more multilingual resources; expand their tax preparation hours; spend more time recruiting, training, and retaining volunteers; and build and maintain communications with past and potential tax filers.

FIGURE 2

Five Areas of Opportunity to Improve Tax Credit Outreach and Services



Source: Authors' analysis of stakeholder interviews.

Making filing taxes easier would improve tax credit uptake considerably. Stakeholders noted that the number of free tax preparation service sites have declined significantly since the COVID-19 pandemic in rural areas of the state. And they emphasized that services need to reach everyone, particularly those who may not be able to afford paid tax preparers and reside in low-density areas without public transportation.

"Someone that doesn't have a car can't go...40 miles to get their taxes done.... And I know that in our modern age everybody says, 'Oh, do Direct File, it's free, it's online and you can do it yourself.' Well, for my population, a lot of seniors are not very tech savvy. A lot of them rely on their cousin or niece or nephew."

—Government leader

Stakeholders' ideas included getting tax refunds automatically deposited to tax filers' bank accounts (as was the case with the stimulus checks and the federal CTC in 2021), and developing pre-filled tax forms with information that the tax agencies may already have. However, these measures are likely hard for state-level changemakers to implement in Maryland. Takeaways included that more education on taxes, and more transparency during tax filing, can reduce barriers, while pushing for systemic changes at the federal level.

"If we could just make it easier for people or reduce the complexity of filing your taxes—, I don't know how to do that—but prefilled tax forms would help."

—Government leader

Lastly, stakeholders noted the risks of tax fraud, highlighting a need for not just more tax education, but proactive actions to curb tax scammers. One expert noted that while VITA volunteers can fix tax mistakes from prior years, volunteers are appropriately intimidated and may turn clients away when a mistake is complex or when it is obvious that there was fraud.

"I think we should let individuals know, 'There's a credit, but please go to a [reputable] place.' If you want to go to mom-and-pop shop, that's great, but make sure the person is certified.... Make sure they have the credentials because, as you know, any of us here can just put up a pop-up shop for taxes. It's the easiest thing ever. But a lot of people don't ask [preparers] about [credentials]."

—Government leader

Phase 2. Quantitative Data Analysis

Using de-identified and aggregated state tax data from the Comptroller of Maryland, we learned that about 97,000 households that filed a tax return and appeared eligible for the state-level EITC in tax year 2023 did not claim the credit. That amounts to 18 percent of the estimated 550,000 eligible Maryland taxpayers.

TABLE 3

About One in Five Potentially Eligible Tax Filers Do Not Claim Maryland's Earned Income Tax Credit

Tax year	Number of estimated EITC-qualifying tax units	Number of estimated EITC-qualifying tax units that did not claim it	Share of total estimated EITC-qualifying tax units that did not claim it
2021	651,183	136,297	21%
2022	557,142	108,969	20%
2023	548,472	97,672	18%

Source: Authors' analysis of de-identified and aggregated state tax data provided by the Comptroller of Maryland.

Notes: Quantifying the EITC-qualifying tax units required iterating various data queries to get as close as possible to mimicking the federal and slightly different Maryland state-level tax credit eligibility rules; therefore, estimates may be subject to some errors. Tax year 2023 accounts for those who filed in 2024 (or later) for income earned in calendar year 2023.

That 18 percent is likely an underestimate because it excludes nonfilers, who, according to IRS research, make up a large share of those who do not claim federal tax credits which they are eligible for (Castelin et al. 2024).²³ In many cases, these nonfilers are not required to file taxes because their incomes are below the income tax filing thresholds.²⁴

MOST ELIGIBLE TAX FILERS NOT CLAIMING MARYLAND'S EITC LIVE IN SIX COUNTIES

From tax years 2021 to 2023, the highest *numbers* of tax filers that appear eligible for the state EITC but not claiming it lived in the following areas:

- Prince George's County: 21,964 (for 2023)
- Montgomery County: 20,327
- Baltimore County: 12,667
- Baltimore City: 10,644

The highest *shares* of tax filers that appear eligible for the EITC but are not claiming it lived in the following counties:

- Montgomery County: 23 percent (for 2023)
- Howard County: 20 percent
- Prince George's County: 20 percent
- Kent County: 20 percent

Montgomery County and Prince George's County had both high *numbers* and *shares* of tax filers likely eligible for the state's EITC but not claiming it. Kent County stood out as the only rural county among the areas with the highest uptake gaps. About one in five eligible tax filers in Kent County likely missed out on benefits in 2023, slightly higher than the state average.

THE TOP COUNTIES WERE HOME TO MANY HISTORICALLY UNDERSERVED POPULATIONS

With the US Census Bureau data on demographic and socioeconomic factors, certain patterns stood out, suggesting that some communities may face distinct informational and tax filing barriers in accessing tax benefits. In Prince George's County, for example, over 20,000 tax filers were likely eligible for the EITC in 2023 but didn't claim it: Census data indicate that this group may include large numbers of people of color, noncitizen residents, and single parents or nontraditional caretakers (such as grandparents, aunts, or uncles).

TABLE 4

Top Counties Are Home to More People of Color, Young Adults, and Nontraditional Caretakers

Demographic characteristics of the top six counties with the most tax filers likely missing out on Maryland's EITC compared with the remaining 18 Maryland counties, 2022

Top counties had higher shares of...

Asian, Black, and Latine populations
Noncitizen residents and those with limited English proficiency
Young adults (between ages 18 to 34)
Young children (under age 5)
Households with single parents or nontraditional caretakers (grandparents, foster parents, or other relatives)
People in poverty
People lacking health insurances

Source: Authors' analysis of de-identified and aggregated state tax data provided by the Comptroller of Maryland and US Census Bureau's 2018–2022 American Community Survey estimates.

Notes: Demographic characteristics highlighted above are those where averages and medians of the top counties combined are each at a least 10 percent higher than those in all other counties combined. Aggregates mask the variations between individual counties.

On the other hand, we did not find statistically significant differences between the top Maryland counties and all other counties combined in terms of children as a share of the population, internet broadband access, or employment status. However, this does not necessarily mean that those factors play no role in benefit access gaps or strategies. Instead, it may reflect a limitation of our quantitative analysis, which may miss out on finer patterns due to aggregation.

We replicated our quantitative analysis with the zip code–level data that the Comptroller of Maryland shared with us. From tax years 2021 to 2023, the 95th percentile with the highest *numbers* of tax filers eligible for the state EITC but not claiming it comprised of 24 zip codes, including the following:

- 20783 (Hyattsville): 2,977 (for 2023)
- 20906 (Silver Spring): 2,307
- 21224 (Baltimore City): 2,231
- 20902 (Silver Spring): 1,430

The 95th percentile with the highest *shares* of tax filers eligible for the state EITC but not claiming it comprised of 40 zip codes. A handful reportedly had 100 percent of EITC-qualifying tax units in a given year missing out, though each with less than an estimated 20 tax units missing out: 21250 (Baltimore), 20839

(Beallsville), 21653 (Newcomb), 21252 (Towson), and 20612 (Benedict). The rest, among those with at least 100 tax units potentially missing out, including the following:

- 21210 (Baltimore): 44 percent (for 2023)
- 20854 (Potomac): 41 percent
- 20817 (Bethesda): 39 percent
- 20816 (Bethesda): 37 percent

Overlaying the US Census Bureau data once more, we found similar patterns to those outlined in the county-level analysis, in terms of the demographic and socioeconomic populations that stood out in the top zip codes compared with all other zip codes combined.

In all, our county-level data and findings suggested the right scope, in terms of geography and populations included, to inform our focus groups. These data were disaggregated to a sufficient level where demographic and socioeconomic information is insightful, while also aggregated to a level where marginalized communities, such as immigrant taxpayers, may not feel exposed. Further, many government and community leaders, including those we interviewed, operate at a scale more aligned with the county level rather than at the zip code level.

ITIN FILERS COMPRISE A SIGNIFICANT SHARE OF LIKELY ELIGIBLE RESIDENTS MISSING OUT

A significant share of taxpayers that appeared eligible for the credit but did not claim it in 2023 were Marylanders with Individual Taxpayer Identification Numbers (ITINs), typically “mixed status” households with residents that have documented and undocumented immigration statuses. Maryland’s credit is available to these households if they meet the income eligibility and other qualifications. But prior research shows ITIN filers face barriers learning about credits and filing tax returns (Godinez-Puig, Boddupalli, and Mucciolo 2022).

Per the Comptroller of Maryland’s data, nearly 40 percent of EITC-qualifying tax units with ITINs did not claim the state’s EITC. Notably, ITIN filers comprised nearly a third (30,556 of 97,672) of all potentially eligible tax units that did not claim Maryland’s EITC for tax year 2023.

This may be especially relevant to the current political landscape. Immigrant communities across the US have faced unprecedented enforcement and deportation activities in 2025, as well as exclusions from certain tax and nontax social safety net programs.²⁵ Leaders may also have to contend with the downstream consequences of utilizing tax data for pursuing immigration enforcement activities on tax compliance.²⁶ Altogether, this may shift ITIN filers’ and other immigrant communities’ tax filing behaviors, which will have implications for not just federal taxes, but also state and local taxes.²⁷

TABLE 5

Over a Third of Potential Tax Filers with Individual Taxpayer Identification Numbers (ITINs) Do Not Claim Maryland's Earned Income Tax Credit

Tax year	Number of estimated EITC-qualifying tax units with ITINs	Number of estimated EITC-qualifying tax units with ITINs that did not claim it	Share of total estimated EITC-qualifying tax units with ITINs that did not claim it
2021	94,601	45,851	48%
2022	93,236	41,794	45%
2023	77,616	30,556	39%

Source: Authors' analysis of de-identified and aggregated state tax data provided by the Comptroller of Maryland.

Notes: EITC = earned income tax credit; ITIN = individual taxpayer identification number. Quantifying the EITC-qualifying tax units with ITINs required iterating various data queries to get as close as possible to mimicking the federal and slightly different Maryland state tax credit eligibility rules; therefore, estimates may be subject to some errors. Tax year 2023 accounts for those who filed in 2024 (or later) for income earned in calendar year 2023.

Phase 3. Focus Groups

Focus groups revealed various lessons regarding the barriers that residents face in filing taxes, their knowledge of both federal and state-level tax credits, potential solutions to increase awareness and uptake, and their opinions of the current federal government's policies and how those impact their interactions with tax systems.

EVEN THOUGH MOST PARTICIPANTS ACROSS ALL FOCUS GROUPS FACED CHALLENGES IN FILING, THEY STILL FILED INCOME TAXES

We spoke with Marylanders across varying counties and demographic populations, and our findings reflect some of those variations in barriers faced and solutions surfaced when filing taxes and claiming tax credits. Importantly, while our findings are suggestive of residents' experiences, they do not comprehensively reflect the experiences of each of the communities represented by focus group participants.

Participants, across all focus groups, mentioned various barriers they faced while filing taxes. Many did not know where to go, had difficulties paying for tax preparation services, or were afraid to owe money (for the current tax season or for past penalties). Some were confused about whether they had to file because they did not earn a lot, did not work during the year, or did not know the requirements for filing or receiving tax credits.

"[With] some employers now, [you] have to fill out your I-9 or W2. A lot of wording has changed [since] I started [working] at 15. So, I [say], 'Explain that to me.' And [the employers] [say], 'Oh, well, I can't help you with that because it's a federal form,' so [you don't know] what you're putting down."

—Young adult participant

Many participants mentioned having negative experiences with both free or paid tax preparation services. Others mentioned being victims of fraud, which made them distrust the tax system and feel frustrated with

government. These experiences were relatively more prevalent among focus group participants who were noncitizens or Black households.

“I had filed with TurboTax, once, online in March. It was pretty horrible. I ended up having to amend [my return] and that [process] was even worse. It probably took about two to three years for me to finally get [a] tax refund from that year. So that [was] very frustrating...[because I] just got the information wrong.”

—Participant from Kent County

“My partner [is] dealing with [fraud] now. I'm not too sure...but they had [someone] file their taxes and now they're getting letters in the mail.... They're having to send information to the IRS about verifying income.”

—Participant from Prince George's County

Noncitizens shared feeling scared of present-day federal immigration policies, fearing there would be negative consequences either way, if they filed taxes or if they did not. However, they also felt obligated to file because it was the law, and they wanted to follow the rules.

“The truth is that I am scared.... You watch the news [and see the new policies from the government]... but we have to represent our Latino people, and it is the law to file taxes, so we must file.”

—Noncitizen participant

PARTICIPANTS GENERALLY KNEW ABOUT THE FEDERAL-LEVEL EITC AND CTC, BUT NOT ABOUT THE STATE VERSIONS

Participants generally knew about the federal EITC and CTC, though there was some confusion on the requirements and specifications of each credit. The exception were noncitizens, some of whom did not know about these tax credits despite being Maryland residents for several years. Most participants, across all focus groups, did not know about the state-level tax credits in Maryland, even though many explicitly shared experiences of filing state taxes and receiving tax refunds. Because the federal and state-level tax credits have varying eligibility rules, this implies that tax filers are likely not aware of some of the ways the state tax credits expand eligibility among some Marylanders, including young adults without custodial children and certain immigrants.

“[I didn't know about the Maryland credits].... Maybe there isn't enough information out there talking about these opportunities.”

—Participant from Prince George's County

Some participants noted the design of the tax credits and ways to expand the eligibility rules, credit amounts, benefits receipt, and the number of children that can be claimed as dependents.

“You should be able to claim all your kids..... The last time I filed taxes, they said... ‘You can’t claim [one of] them,’ and I said, ‘Why not? That’s my child.’ They said, ‘Because you only qualify enough for three.’ Their other parent had to claim [one of] them.”

—Participant with young child

OUTREACH CAMPAIGNS SHOULD INTEGRATE VARIED DISSEMINATION MEDIA AND FOCUS ON THE PROVISIONS OF FREE AND QUALITY TAX PREPARATION SERVICES

Participants mentioned that improving the uptake of tax credits will require a variety of strategies, but the foundation of all solutions should be based on building trust with communities, including through partnerships with community organizations who stay in touch with them throughout the year.

Many participants learned about the tax credits first through word of mouth, and many said that once they knew about and claimed the credit, they told their friends and families about it. Still, we heard that increasing awareness of tax credits would require diverse approaches and varying media sources, including local news, radio, social media and Internet, physical flyers, and government officials visiting public events. Preferred outreach methods varied across focus groups, emphasizing the need for multimodal communications that include tailored materials.

For example, many single parents, nontraditional caretakers, and Black residents said they trusted local news. For noncitizen participants, being able to go somewhere and talk to a government official, or having a phone number to call and verify information with a trusted local organization, felt important. Altogether, our conversations highlighted that when messaging comes from official government sources, it increases credibility. This finding uplifts the need for government officials to work in tandem with community partners that can help distribute resources and create a bridge between government and communities.

“Put [tax information] on all the news channels. Guaranteed it’ll get around because...everybody’s going to watch at least one of the four [channels], right?”

—Participant from Baltimore City

Most focus group participants expressed feeling very grateful for their specific tax preparers, whether a VITA site or their paid accountant. Some lifted up ideal qualities in their preferred tax preparers: the ability to meet in-person with people, having great interpersonal skills, and the patience to explain to clients why tax returns were prepared in certain ways. Yet, across a few focus groups, familiarity with free tax preparation services varied. Some stated that they knew about these services but had bad experiences in the past. Others did not know about these services and, when informed of them, expressed low to no interest in availing them.

"I wouldn't have a problem trying [VITA sites or free tax preparation services]. I normally just hand my [tax documents] over [to my tax preparer], and they go and handle everything. And they're the kind of person that's like, 'If it's not broke, don't fix it.'"

—Participant from Kent County

MORE EDUCATION, BOTH DURING TAX FILING AND OUTSIDE OF TAX SEASON, WILL HELP RESIDENTS FEEL MORE EMPOWERED

Interestingly, participants across all focus groups desired more education and training on tax preparation. Many participants said they wanted to have more opportunities to learn about the tax system, such as through adult workshops or high school education. Many felt that they were navigating a complex system they did not understand, and that they had to blindly trust their tax preparers. Participants expressed that more tax education would help them feel empowered and also equip them to avoid tax frauds.

"People would feel empowered to be able to avoid being a victim of fraud. Accountants often charge us immigrants more, or they lie to us about the opportunities that are open to us, and we become victims of fraud."

—Participant from Montgomery County

Participants also noted that transparency from tax preparers, in terms of explanations about the types of credits and benefits a filer is eligible for, would make them better informed and educated on the tax system, giving them the tools to learn how to file their own taxes.

"But sometimes I still don't even trust my tax lady.... Why is she charging me close to \$15 [for something that I could do]. So, I usually take notes: What does this mean, or what does this stipend mean for my children? [I ask them questions] on what they are putting down for dependents and stuff like that."

—Participant from Baltimore County

Young adult participants without custodial children were less aware of state and federal level tax credits compared to other participants, and desiring more opportunities to learn how to engage with the tax system. While many adults without custodial children are eligible for the federal EITC too, those between ages 18 to 24 are not. And because tax credits like the EITC largely benefit families with children, they are not typically salient for others. Many were transitioning from adolescence to adulthood. Most still lived with their parents and relied on them for financial support. They said that they and their parents found the tax system complex and confusing.

"I'm not really scared of filing my taxes. I'm just scared of doing it wrong. My mom's telling me, 'It'll be worth doing it. Let's do it.' I'm ready to learn. It's just making sure that I know what I'm doing."

—Young adult participant

Participants emphasized that they wanted to learn more about taxes and tax filing, but found most government websites unengaging and not user-friendly, requiring a lot of “clicks” to find useful information. They thought government officials could instead reach a younger audience through short informational clips on social media, perhaps on platforms that appeal to them and make the learning more entertaining than it is right now. They suggested outreach efforts through social media platforms they use regularly, like TikTok, Instagram, and YouTube. Participants said that repeatedly seeing information, including advertisements, across their social media would increase their interest.

“I would probably make it a community thing—like a page. Put it on TikTok.... Just something like that.”
—Young adult participant

Young adults also liked the idea of having in-person community events and classes where they could learn about taxes. They mentioned tailoring resources for young people transitioning into adulthood. Resources could encompass a variety of topics, including taxes, credit-building, or employment. Overall, participants craved human interactions, not only during tax education but also tax filing. They would like to see personable, empathetic tax preparers who could walk them through their tax returns. The desire for friendly, congenial tax preparers was a consistent theme across our focus groups.

“Just sit down and maybe ask them, ‘What’s your mental state?’ Just be human.”
—Participant from Howard County

Altogether, our focus group participants surfaced the following short-term and long-term solutions to improve both future outreach campaigns and tax filing services.

TABLE 6
Solutions Proposed by Focus Group Participants to Improve Tax Credit Uptake

Campaign type	Short-term focus	Long-term focus
Outreach	Word of mouth, public events, variety of dissemination material, physical resources (flyers, mail), cross-agency government collaboration, multilingual material	Tax education through workshops or classes, tax education in high school
Tax-Filing Services	Quality, relational services from tax professionals and volunteer preparers, more transparency and explanation during tax preparation to facilitate clients’ understanding, wider access to free tax-filing services, wider access to status updates post-filing and government troubleshooting	Simplifying tax-filing process, addressing tax fraud and penalizing fraudulent tax preparers

Source: Authors’ analysis of focus groups.

MAIN TAKEAWAYS

Tax credits like the EITC and CTC lift millions of children and families out of poverty (Shrider 2024). States are playing an increasingly important role in expanding these credits for households in their jurisdictions. However, claiming federal and state credits can be complicated. Maryland and other states are thinking about how to best connect underserved residents to these opportunities. Through three phases of work, we uncovered important lessons on what works best for increasing uptake of tax credits and identified areas of opportunity that Maryland and other states can consider. Our main takeaways are the following:

Phase 1: Stakeholder Interviews

- Increasing tax credit uptake will require pairing awareness campaigns with free and easily accessible tax filing services.
- Building trust with communities, especially those historically underserved, will require year-round communications and partnerships with local organizations.
- A variety of physical and online materials, including those tailored for specific audiences, will help reach the most people.
- Improving tax preparation and filing services, with an emphasis on training volunteers and tax professionals on both interpersonal skills and technical knowledge, will better serve all residents.

Phase 2: Quantitative Data Analysis

- Nearly 100,000 Maryland households that filed a tax return and appeared eligible for the state-level EITC in tax year 2023 did not claim the credit. That amounts to 18 percent of the estimated 550,000 eligible Maryland taxpayers.
- Most eligible Marylanders who may be missing out on the state's EITC, both in absolute numbers and as shares of local populations, live in six counties: Baltimore City, Baltimore County, Howard County, Kent County, Montgomery County, and Prince George's County.
- These counties are home to various underserved populations that, based on our interpretation of the national literature, may be disproportionately missing out on the state's tax credits. This includes single parents and nontraditional caretakers (such as grandparents, foster parents, aunts or uncles), young adults, parents with young children, families living in rural areas, noncitizens (including mixed-status immigrant families), Black households, Latine households, and Asian American and Pacific Islander households.

Phase 3: Focus Groups

- Participants generally know about the federal-level EITC and CTC, but not the state-level tax credits.
- Trust building through direct and official government communications as well as strong partnerships with local nonprofit organizations is crucial for increasing the knowledge of and uptake of tax credits.
- Increasing information outreach through word-of-mouth, community and neighborhood events, varying dissemination avenues (such as local news, radio, and social media), physical resources (in the mail, libraries, or community centers), and cross-agency government collaboration are likely to be effective in spreading awareness about tax filing supports and tax credits. Though, preferred sources of information varied by population and geography.
- Easy-to-access and nearby free tax filing services, quality interactions with tax preparers, and more transparency during and after the tax filing process between tax preparers and clients (to explain how their tax return was completed or how amendments may be made) were mentioned as areas of opportunity for increasing the awareness of and uptake of tax benefits.

STRATEGIES TO IMPROVE UPTAKE OF TAX BENEFITS

Findings from the three phases of work informed seven key strategies (and in-practice applications) for state and local leaders to pursue for increasing uptake of tax credits (see table 7). More information on these strategies is available in an accompanying “[Strategy Playbook for Improving Uptake of State Tax Benefits](#),” which was designed as a toolkit for implementing strategy recommendations (Godinez-Puig et al. 2025). The playbook, its strategies, and its applications are modular. Our goal is to support the efforts of state and local government officials (who directly or indirectly work on issues of tax administration), as well as other changemakers working on tax credit outreach, tax preparation, and legal aid services, with evidence-based practices as they design or evaluate their plans to improve uptake of state tax benefits.

TABLE 7

Summary of Seven Strategies to Improve the Uptake of State Tax Benefits and How to Put Them into Practice

Strategy	In practice
1. Build trust with communities through partnerships with diverse local nonprofits and trusted messengers	<ul style="list-style-type: none"> a. Map trusted organizations that serve the identified underserved populations, by region and demographics; build ongoing partnerships with them (builds on 7d) b. Train trusted messengers to disseminate resources c. Provide grants to trusted messengers and tax preparers to do ongoing outreach and tax filing services (builds on 3a) d. Deepen engagement with employers and chambers of commerce to champion EITC uptake e. Host events in different communities year-round to increase receptivity to learning about taxes (builds on 2c and 2d) f. Ensure tax resources and tax filing services cater to diverse cultural and linguistic needs of underserved populations
2. Disseminate information and resources through a variety of settings and media	<ul style="list-style-type: none"> a. Co-design, vet, or user-test dissemination materials and strategies directly with local community organizations and leaders (builds on 1a) b. Boost online content on tax filing and tax benefits from federal, state, and local governments, and fill informational gaps from other levels of government. c. Disseminate information via government mail and provide resources in frequently visited destinations d. Advertise about tax filing resources and tax benefits on local news channels, radio stations, billboards, and at public events; increase word-of-mouth dissemination using local champions of tax benefits (builds on 1e)
3. Routinely incorporate information on tax filing services into outreach campaigns and bolster tax preparation options	<ul style="list-style-type: none"> a. Increase the number of free tax preparation service providers and boost partnerships with existing tax preparers (builds on 1c) b. Routinely review and update tax outreach materials and webpages, keeping tax partners informed on changes to materials c. Set up incentive structures for tax preparation volunteers so they sign up year-to-year d. Invest in tax preparer trainings that center relational and technical skills
4. Foster further cross-agency collaboration	<ul style="list-style-type: none"> a. Develop and nurture cross-agency relationships b. Share tax filing and tax benefits information with residents that access other basic needs programs or government services c. Offer one-stop shop services or free tax clinics in the offices of other government agencies (builds on 3a) d. Leverage data from other government agencies to reach nonfilers e. Explore feasibility of pre-filled forms and auto-enrollment systems for tax benefits delivery

Strategy	In practice
5. Educate residents about tax filing and credits	<ul style="list-style-type: none"> a. Create educational materials that can be distributed to tax filers at tax preparation sites to enhance understanding of taxes, such as templates detailing tax owed, credits received, and refund amounts (builds on 2a) b. Host tax education workshops with trusted messengers tailored to specific populations (builds on 1a and 1b) c. Partner with K–12 public school systems to develop short tax courses, empowering students to become “tax educators” within their households (builds on 1a and 1b)
6. Prevent and correct tax frauds	<ul style="list-style-type: none"> a. Reduce administrative burdens and costs for victims of tax fraud with state resources b. Provide guidance on how taxpayers ought to pick and vet their tax preparers, including whitelists of vetted free and paid tax preparers
7. Create and integrate evaluation metrics	<ul style="list-style-type: none"> a. Involve diverse community voices in both the development and evaluation of outreach and awareness campaigns (builds on 1a) b. Make evaluation data and findings publicly and easily accessible c. Use accountability tools, such as the “results count” framework, to study and build on future efforts d. Create a “scorecard” to annually track numbers and shares of eligible taxpayers claiming the CTC and EITC by region and demographics

Sources: Authors’ analysis. See “Strategy Playbook for Improving Uptake of State Tax Benefits” for more information (Godinez-Puig et al. 2025).

Notes: Strategies are not presented in any particular order, and the table is meant to be modular. We expect users to select one or more strategies and in-practice items to develop, guide, or vet their plans for outreach and tax filing services.

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