

2019

# Butte Community Action Agency (CAA)

RECAP AND ANALYSIS OF FILING SEASON 2019  
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# BUTTE COMMUNITY ACTION AGENCY (CCAA)

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## Recap and Analysis of Filing Season 2019

On behalf of the SPEC organization, I want to thank you for being an integral part of providing free tax services in your communities. Your leadership in the community and dedication to the VITA program has led your sites to continuously operate with efficiency and prepare accurate returns. Your teams of volunteers are to be commended for their sacrificial acts of volunteerism to assist low-income individuals and families. The below tax preparation results were derived from the ETA (electronic tax administration) and SIDN (site identification number) reports associated with e-file, paper, and prior year returns:

### 2019 Filing Season – Return Results

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- Total E-File Returns: 1,137
- Total Paper Returns: 1   • Total FSA Returns: 33

**Grand Total: 1,171**

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### 2019 Filing Season – Refund Results

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- Total Refunds: \$1,071,961
  - Total Additional Child Tax Credit Dollars: \$117,530
  - Total EITC Dollars: \$299,270
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## BUTTE CAA FILING SEASON SNAPSHOT

### ELECTRONIC TAX ADMINISTRATION (ETA) REPORT 4/22/19

Preparer	Transmit	Accepted	Prior Year Accepted	Accepted % Change
CARD Community Center	410	394	441	-10.7%
CSU Chico	372	331	255	29.8%
Dorothy F. Johnson Center	167	158	206	-23.3%
Durham Memorial Hall	270	254	239	6.3%
Total	<b>1,219</b>	<b>1137</b>	<b>1,141</b>	<b>-0.4%</b>

### SITE IDENTIFICATION NUMBER (SIDN) REPORT 4/22/19 Cycle 17

Preparer	Paper Returns	EITC Returns	CTC Returns	Prior Year Returns
CARD Community Center	0	89	41	3
CSU Chico	1	63	28	1
Dorothy F. Johnson Center	0	42	13	7
Durham Memorial Hall	0	43	39	5
Total	<b>1</b>	<b>237</b>	<b>121</b>	<b>16</b>

### MyFreeTaxes REPORT 4/22/19\*

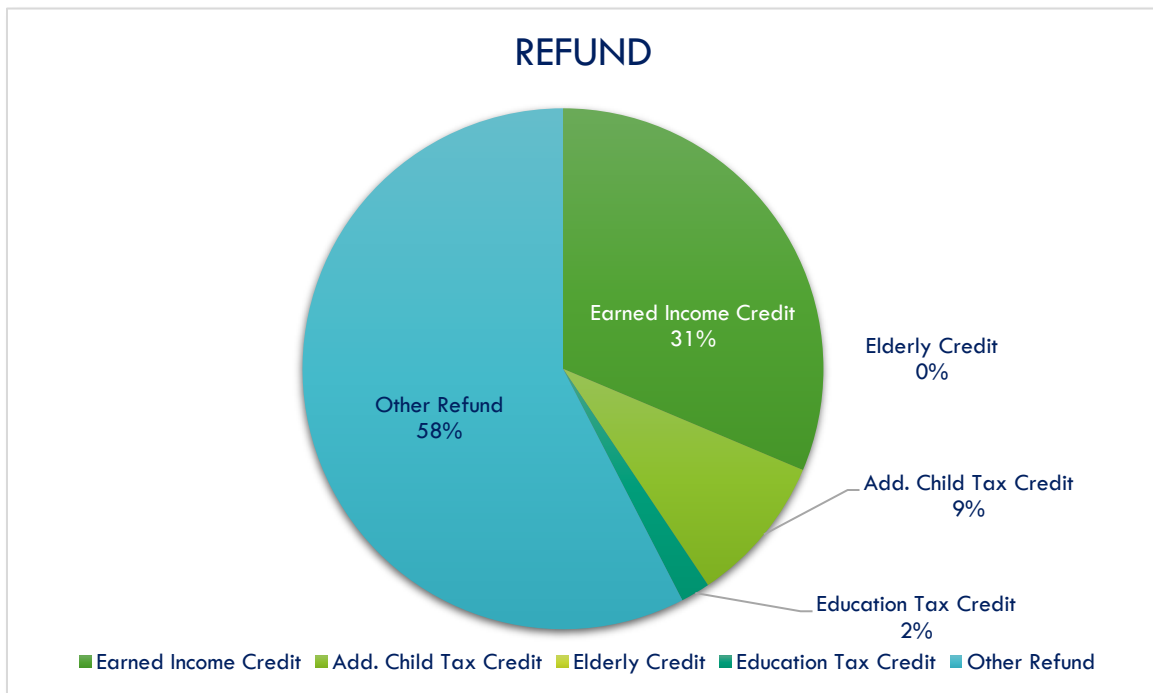
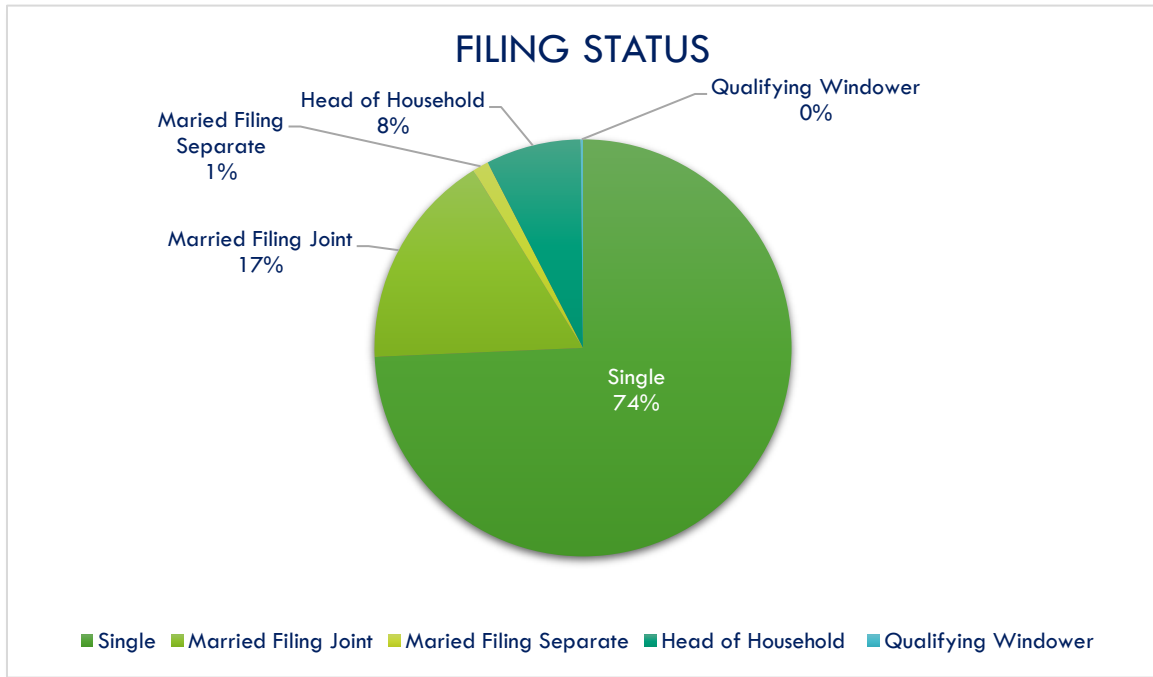
County	E-filed Returns	EITC Returns	Average EITC Amount	Average Refund Amount	Average Age
Butte	37	10	\$1,533	\$1,553	35
Total for Butte CAA	<b>33</b>				

\*NOTE: Butte CAA has a 90% allocation for MyFreeTaxes in Butte County. This means that of the 33 returns for the county, Butte CAA gets 27 of them. This allocation percentage is not applied to the return statistics listed above; only to the total number of E-filed returns.

### TAXSLAYER REPORT – FILING STATUS 4/22/19

Site	Single	Married Filing Joint	Married Filing Separate	Head of Household	Qualifying Widowers
CARD Community Center	286	68	6	34	1
CSU Chico	285	26	4	17	0
Dorothy F. Johnson Center	119	21	3	8	0
Durham Memorial Hall	146	75	1	25	1
Total	<b>836</b>	<b>190</b>	<b>14</b>	<b>84</b>	<b>2</b>

## BUTTE CAA FILING SEASON SNAPSHOT



# CSU CHICO SITES - FILLING SEASON OVERVIEW

## CSU CHICO SITES - ELECTRONIC TAX ADMINISTRATION (ETA) REPORT

Preparer	Transmit	Accepted	Prior Year Accepted	Accepted % Change
CARD Community Center	410	394	441	-10.7%
CSU Chico	372	331	255	29.8%
Dorothy F. Johnson Center	167	158	206	-23.3%
<b>Total</b>	<b>949</b>	<b>883</b>	<b>902</b>	<b>-2.11%</b>

## CSU CHICO SITES - SITE IDENTIFICATION NUMBER (SIDN) REPORT

Preparer	Paper Returns	EITC Returns	CTC Returns	Prior Year Returns
CARD Community Center	0	89	41	3
CSU Chico	1	63	28	1
Dorothy F. Johnson Center	0	42	13	7
<b>Total</b>	<b>1</b>	<b>194</b>	<b>82</b>	<b>11</b>

## CSU CHICO FSA SITE - MyFreeTaxes REPORT

County	E-filed Returns	EITC Returns	Average EITC Amount	Average Refund Amount	Average Age
Butte	37	10	\$1,532.5	\$1,739.9	35
<b>Total</b>	<b>33</b>				

## CSU CHICO SITES - TAXSLAYER REPORT – FILING STATUS

Site	Single	Married Filing Joint	Married Filing Separate	Head of Household	Qualifying Widowers
CARD Community Center	286	68	6	34	1
CSU Chico	285	26	4	17	0
Dorothy F. Johnson Center	119	21	3	8	0
<b>Total</b>	<b>690</b>	<b>115</b>	<b>13</b>	<b>59</b>	<b>1</b>

## CSU CHICO SITES - TAXSLAYER REEPORT – REFUND AMOUNTS

Site	Total ADD CTC	Total EIC	Total Child Tax Credit	Total Education Tax Credit	Total Elderly Credit	Total Other Returns	Total Returns
CARD Community Center	\$26,691	\$105,103	\$33,965	\$806	\$0	\$208,792	\$375,357
CSU Chico	\$28,903	\$83,919	\$23,953	\$12,101	\$0	\$152,111	\$300,987
Dorothy F. Johnson Center	\$9,124	\$31,059	\$9,638	\$3,560	\$0	\$65,941	\$119,322
<b>Total</b>	<b>\$64,718</b>	<b>\$220,081</b>	<b>\$67,556</b>	<b>\$16,467</b>	<b>\$0</b>	<b>\$426,844</b>	<b>\$795,666</b>

# DURHAM MEMORIAL HALL - FILING SEASON OVERVIEW

## DURHAM MEMORIAL HALL - ELECTRONIC TAX ADMINISTRATION (ETA) REPORT

Preparer	Transmit	Accepted	Prior Year Accepted	Accepted % Change
Durham Memorial Hall	270	254	239	6.3%
Total	270	254	239	6.3%

## DURHAM MEMORIAL HALL - SITE IDENTIFICATION NUMBER (SIDN) REPORT

Preparer	Paper Returns	EITC Returns	CTC Returns	Prior Year Returns
Durham Memorial Hall	0	43	39	5
Total	0	43	39	5

## DURHAM MEMORIAL HALL - TAXSLAYER REPORT – FILING STATUS

Site	Single	Married Filing Joint	Married Filing Separate	Head of Household	Qualifying Widowers
Durham Memorial Hall	146	75	1	25	1
Total	146	75	1	25	1

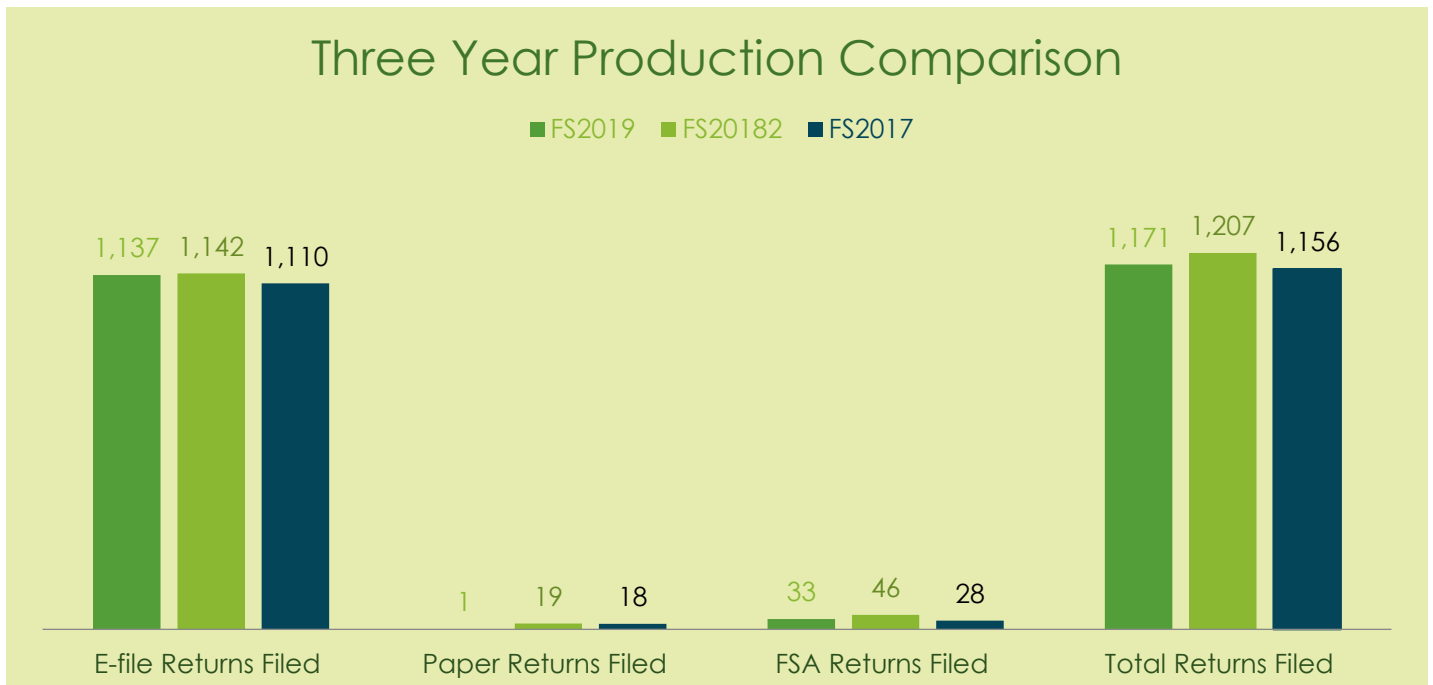
## DURHAM MEMORIAL HALL - TAXSLAYER REEPORT – REFUND AMOUNTS

Site	Total ADD CTC	Total EIC	Total Child Tax Credit	Total Education Credit	Total Elderly Credit	Total Other Refunds	Total Returns
Durham Memorial Hall	\$23,518	\$79,189	\$49,974	\$921	\$0	\$122,693	\$276,295
Total	\$23,518	\$79,189	\$49,974	\$921	\$0	\$122,693	\$276,295

# THREE YEAR PRODUCTION OVERVIEW 2017-2019

In the last three years Butte CAA has prepared 3,534 returns in Butte County. This is a tremendous accomplishment! In addition, you have brought in over \$3.17 million in refunds and have saved over \$1.06 million in Tax preparation fees. \*

\*Based on the '2016-17 Public Practice Survey Report' by the National Society of Accountants (NSA), the National Average fee charged to prepare an itemized Form 1040 with Schedule A and a state tax return is \$273. The regional average for the Pacific Coast is \$329. The National average fee to prepare a Form 1040 and a state return (no itemized deductions) is \$176. Using these stats, I estimate that VITA saves taxpayers \$200-\$300 for every return prepared. The totals mentioned above are calculated with the estimate of \$300  
<http://connect.nsacct.org/blogs/nsa-blogger/2017/01/27/nsa-survey-reveals-fee-and-expense-data-for-tax-accounting-firms-in-2016-and-2017-projections>



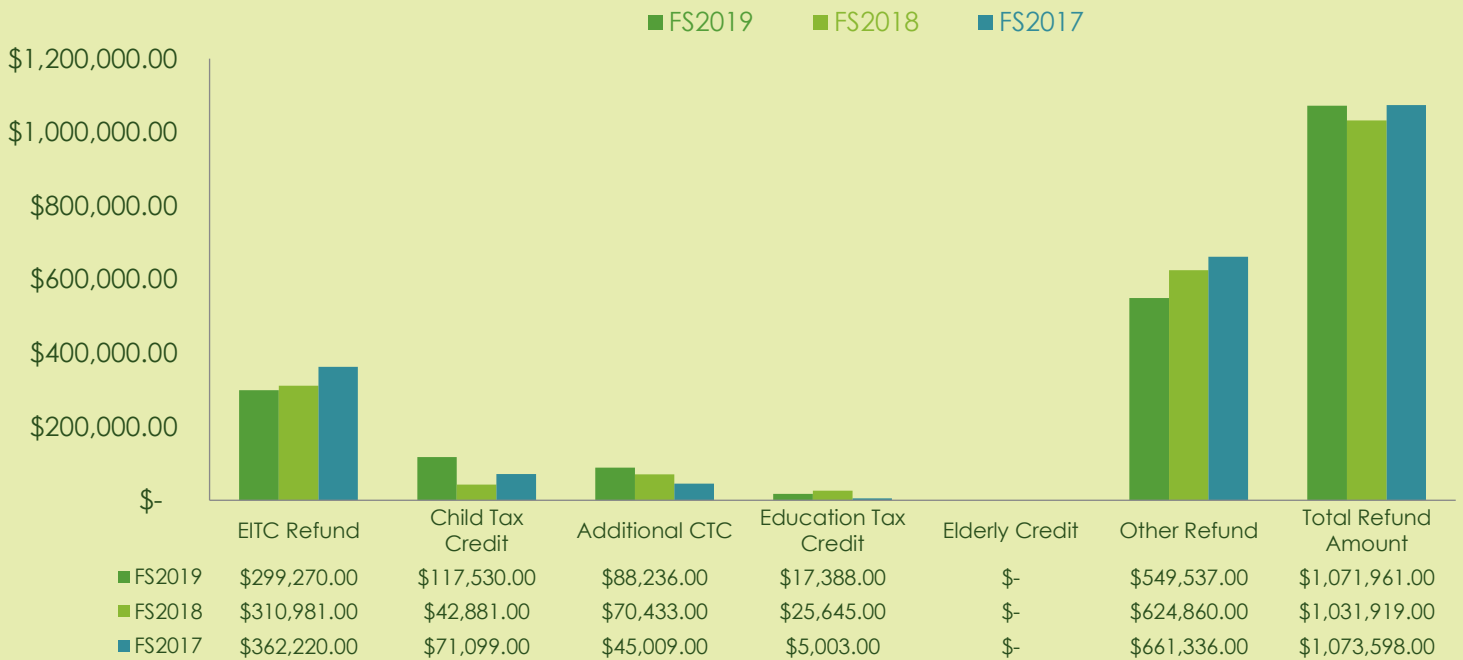
Within the three-year comparison there has been:

- E-file Return: -0.40% change in 2019
- Paper Returns: -95% change in 2019
- FSA Returns: -28% change in 2019

With a total change of -4.88% in 2019

# THREE YEAR REFUND OVERVIEW 2017-2019

## Three Year Refund Comparison



Within the three-year comparison there has been:

- -3.77% change in EITC in 2019
- 174% growth in Child Tax Credit in 2019
- 25.28% growth in Additional Child Tax Credit in 2019
- -32.2% change in Education Tax Credit in 2019

**Total Refund Amount Increase of  
3.88%**



## ELECTRONIC E-FILE REJECT RATE

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Preparer	Transmit	Accepted	Reject	% Rejected
CARD Community Center	410	394	16	3.9%
CSU Chico	372	331	41	11%
Dorothy F. Johnson Center	167	158	9	5.4%
Durham Memorial Hall	270	254	16	5.9%

### Overall Reject Rate:

7%

The Butte Community Action Agency Partnership's reject rate was 7%. This was a decrease from last year's rate of 11.61%. Ultimately, we want partners to meet the National goal of less than 10%. Great Job!

#### Recommendation:

- Continue to verify social security number are input correctly
- Continue to verify taxpayer's last name is input correctly
- Be mindful of the number of e-file attempts. To avoid a high reject rate consider filing a paper return after 2 attempts.

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## QUALITY

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During the filing season, one of your sites was reviewed by tax consultants from the Sacramento Territory. While the site failed to meet all ten of the Quality Site Requirements, the matter was resolved quickly with the Site Coordinator. Thanks for a job well done. Below is the site and the rating for 2019:

- CARD Community Center – 90%

\*Reminder: Discuss with the Site Coordinators the importance of following the Quality Site Requirements. QSR #4 reviews the importance of having the required reference materials at the site. Per Publication 1084, Site Coordinator Hand Book, pg.33: All sites must have one copy (paper or electronic) of the following reference materials available for use by volunteer return preparers and quality reviewers:

- Publication 4012, Volunteer Resource Guide
- Publication 17, Your Federal Income Tax for Individuals
- Volunteer Tax Alerts (Must be discussed with volunteers within five days of IRS issuance.)

# Financial Education and Asset Building (FEAB)

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FEAB is a SPEC collaborative effort that supports SPEC partners who furnish taxpayers with the information and knowledge needed to evaluate their financial options and identify those that best suit their needs and circumstances.

SPEC's overall objective is to assist taxpayers, through its partners, with outreach, education and tax return preparation. Our partners recognize that financial education and asset building starts with ensuring individuals and families receive all the benefits to which they are entitled. These benefits include the Earned Income Tax Credit (EITC) and other tax credits, nutrition assistance, health insurance, heating/cooling allowance support and other national and local benefit programs.

Many SPEC partners have incorporated financial education and asset building programs and services such as income support, debt and credit counseling, financial education training, banking education, home ownership and small business management into their free tax return preparation activities. SPEC works with several organizations to promote the importance of financial education and asset building. Some of those organizations include:

*Corporation for Economic Development (CFED)*  
*National Endowment for Financial Education (NEFE)*  
*Jump\$tart Coalition*  
*United Way Worldwide*  
*National Disability Institute*  
*First Nations Oweesta Corporation*  
*Federal Deposit Insurance Corporation (FDIC)*  
*Department of Health and Human Services*  
*US Department of Treasury*  
*US Department of Veteran's Affairs (VA)*

SPEC promotes the following initiatives and/or strategies by sharing information about these programs with national and local partners:

*National Financial Literacy Month*  
*Real Economic Impact Tour*  
*MoneySmart*  
*Affordable Care Act – Healthcare.gov*  
*US Department of Treasury MyRA (Retirement Account)*

SPEC's goal is to increase voluntary tax compliance by improving and expanding financial education and awareness. By aligning our goals and supporting our partners, we are ensuring the continuity of our joint programs.

# OUTREACH

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Thank you for your continued efforts in reaching out to your communities about opportunities to get the word out regarding EITC, ACA, Identity Theft, Online IRS Tools and Free File. We ask that you continue to conduct Outreach year-round and we hope that you will support us by sharing IRS messages via your social media channels, web site and newsletters. It is also important for us to know when and how you are getting these messages out so please include us in your efforts. For ready-to-use communication material, consider subscribing to the Outreach Corner (<http://www.irs.gov/Individuals/Subscribe-to-the-Outreach-Corner>).

## Law Changes for 2018 Affect Withholding

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The Tax Cuts and Jobs Act made major changes to the tax law. Because of this, you should do a paycheck checkup using the [Withholding Calculator](#) on IRS.gov.

### **Recent changes affecting withholding include:**

- Reduced tax rates
- Elimination of personal exemptions
- Increased standard deductions: \$12,000 for singles, \$18,000 for heads of households and \$24,000 for married couples filing jointly
- Increased child tax credit: \$2,000 per qualifying child and a new \$500 credit for other qualifying dependents
- Changes to itemized deductions

See [IRS.gov/taxreform](https://www.irs.gov/taxreform) for more information.

# OTHER TAX PREP OPTIONS

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## Virtual Drop-off VITA

### **Drop-Off method of tax preparation:**

Drop-Off tax preparation occurs when the tax return is prepared after the taxpayer drops off their documents; it is not completed in real-time. Drop-Off typically encompasses the following activities:

- Taxpayer enters the site and provides Intake Sheet and supporting documentation.
- Before Taxpayer leaves the site they will sign form 14446. This gives consent to the VITA Volunteer to transfer the taxpayers' tax information and documents between intake and preparation site.
- Taxpayer leaves the site.
- Volunteer prepares the return.
- Volunteer reviews the return.
- Taxpayer returns to the site.
- Volunteer discusses the return with the taxpayer.
- Taxpayer signs the return.
- Volunteer files the taxpayer's return.

Virtual Site procedures must be reviewed and approved by the assigned Territory Manager prior to beginning site operations to ensure the requirements are covered.



## CLOSING

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Thank you for your support in the VITA/TCE program. It has been my pleasure working with you and each of your volunteers. As we continue to look for ways to best support you and your volunteers, we here at SPEC want to establish a "Team Concept" in that my fellow colleagues are available to service you as well.

There are two additional exceptional tax consultants within the Sacramento Area that will assist you in any way they can. They are Lori Declarador (lorie.declarador@irs.gov, (916) 974 916-974-5185), and Wesley Gomes (Wesley.A.Gomes@irs.gov, (916) 974-5340).

Your commitment to overcome challenges we face and to accomplish the mission of helping taxpayers in your communities is always outstanding and worthy of recognition. Thank you for choosing to partner with us and for your contributions to the success of the VITA/TCE programs. It has been a privilege to serve you and those in your program this filing season.

**Monica Kyle**  
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“ Coming together  
is the beginning.  
Keeping together  
is progress.  
Working together...  
**is success.**  
~Henry Ford