

Policy Priorities For Q3 Recesses

*Please use the “**2019 Recess Toolkit**” for guidance on engaging your Members of Congress while they’re at home during the upcoming recesses. This guide is meant to prepare you to talk about issues and topics that are top of mind for the United Way network. *

With a presence in every district and state, the United Way network has unparalleled reach and a powerful voice, aligned together. When it comes to public policy, building a majority is key, and the shared, collective ask is how we get there. **We recommend focusing your Recess efforts around the following priorities:**

VITA and the refundable tax credits: Thank Congress for passing legislation to make the Volunteer Income Tax Assistance (VITA) program permanent, and reinforce the need to expand the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) in the next available legislative vehicle.

Charitable Giving Incentives: Expand charitable giving incentives to all American taxpayers by creating a universal deduction. We urge Members of Congress to co-sponsor H.R. 1260 sponsored by Rep. Danny Davis (D-IL) and/or H.R. 651 (the Charitable Giving Tax Deduction Act) co-sponsored by Rep. Chris Smith (R-NJ) and Rep. Henry Cuellar (D-TX).

Child Nutrition Reauthorization: As Congress begins to consider reauthorizing a host of child nutrition programs, we encourage Members to visit summer feeding sites to get an up-front look at how the Summer Food Service Program (SFSP) and other critical anti-hunger programs work on the ground.

VITA, EITC, and CTC

Background

Volunteer Income Tax Assistance Program: Through the *Community Volunteer Income Tax Assistance Program (VITA)*, volunteers become IRS-certified tax preparers and provide qualifying individuals and families with free, reliable assistance in filing federal tax returns. Most taxpayers utilizing VITA earn an annual household income of less than \$40,000 and come from traditionally hard-to-reach and underserved communities, including people with disabilities, the elderly, and Native Americans. VITA helps hardworking Americans meet their tax obligations while claiming the full amount of any refunds for which they are eligible.

In 2019, thousands of VITA volunteers prepared millions of tax returns nationwide resulting in more than \$1.8 billion returning to local communities. These dollars are spent to cover child expenses, pay bills, purchase groceries and household necessities, as well as to save for the future. The local dollars are made possible largely thanks to tax credits like the **Earned Income Tax Credit (EITC)** and **Child Tax Credit (CTC)**.

The **EITC** is a refundable federal tax credit for low- and modest income working people that encourages and rewards work, offsetting federal payroll and income taxes. The amount of the EITC depends on a recipient’s income, marital status, and number of children. The EITC is broadly considered our nation’s most effective pro-work, anti-poverty tool. Only those who work are eligible, allowing them to keep more of what they earn to pay for things like transportation to get to work and childcare for their kids.

The **CTC** is similarly structured, and worth up \$2,000 per eligible child, with up to \$1,400 of the credit refundable. The credit begins to phase-in after the first \$2,500 in earnings, growing by .15 cents for every additional \$1 earned.

Together, the EITC and CTC boosted the income of 29 million Americans in 2017, and lifted 8.9 people out of

poverty, including 4.8 million children. But while the EITC and CTC are some of the best tools we have to support working families, there is room for improvement.

Currently, the EITC available for workers not raising children at home is too little to have the stabilizing effect experienced with the larger family credit – and younger workers in this group are completely ineligible, as the age threshold is set at 25. Additionally, very low-income families are shutout from the full impacts of the CTC because of the earnings threshold, slow phase-in rate, and cap on refundability.

TAKEAWAY: Recently, Congress passed legislation that would permanently authorize the VITA program. This is a huge win for hardworking taxpayers that need to rely on free, accurate tax preparation assistance. We want to thank Congress for their support and ask them to continue supporting struggling American workers by expanding the EITC and CTC in the next available legislative vehicle.

Talking Points

[See page 3 for data to fill in highlighted placeholders]

1. Thank you for making VITA permanent:

- VITA sites in every state across the country prepared over millions of tax returns in 2018, including [NUMBER] in [STATE]. The program has a 98% accuracy rate—the highest in the tax preparation industry—and brought back over \$1.9 billion to local communities, including [\$ NUMBER] in [STATE].
- With the passage of H.R. 3151 (the Taxpayer First Act), this valuable public-private partnership will be a permanent program and hardworking taxpayers can continue to access free, reliable tax preparation assistance.
- Thank you for your support of VITA and making the program permanent.

2. More can be done to support struggling American workers:

- Through VITA, IRS-certified volunteers help low and moderate income taxpayers to claim any tax credits for which they are eligible, like the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC).
- The EITC and CTC are considered as our nation's most effective pro-work, anti-poverty tools. Only those who work are eligible, allowing them to keep more of what they earn to pay for things like transportation to get to work and childcare.
- But while these refundable credits are some of the best tools we have to support working families, there millions of workers are excluded from their stabilizing effects.
- The EITC available for workers not raising children at home is very small and younger workers (under 25) in this group are completely ineligible.
- Additionally, very low-income families are shutout from the full impacts of the CTC because of restraints on refundability.
- We ask that you expand the EITC and increase CTC refundability the next available legislative vehicle so that more workers can use these credits to climb up the ladder of economic mobility.

Asks:

- Thank you for making VITA permanent.
- Expand the EITC for workers not raising children at home, and lower the age of eligibility.
- Increase the refundability of the CTC for the very low-income.

2018 VITA Data

*Data for whole VITA program, not exclusive to United Way.

State	Total Returns Prepared	Returns with EITC	Returns with CTC	Total \$ brought back to local communities.
Alabama	27,982	7,509	3,137	\$39.4 MN
Alaska	7,533	2,204	176	\$11.5 MN
Arizona	41,020	11,304	6,581	\$65.4 MN
Arkansas	13,726	3,888	1,419	\$18.9 MN
California	177,082	51,568	27,316	\$263.7 MN
Colorado	18,719	4,699	2,785	\$29.6 MN
Connecticut	30,515	9,283	3,963	\$49.3 MN
Delaware	6,988	2,555	1,074	\$12.2 MN
D.C	1,165	188	119	\$1.4 MN
Florida	80,203	20,378	9,679	\$111.2 MN
Georgia	30,223	7,505	4,438	\$43.3 MN
Hawaii	7,108	1,616	1,003	\$11 MN
Idaho	1,638	389	260	\$2.4 MN
Illinois	25,101	6,297	2,603	\$33.1 MN
Indiana	27,331	5,927	2,174	\$31.3 MN
Iowa	15,383	4,605	1,681	\$23 MN
Kansas	17,956	3,977	1,993	\$23.4 MN
Kentucky	25,984	6,909	3,041	\$39.7 MN
Louisiana	25,948	7,308	3,329	\$38.9 MN
Maine	3,691	953	363	\$4.9 MN
Maryland	22,888	6,145	2,580	\$30.1 MN
Massachusetts	15,724	5,227	2,025	\$25.5 MN
Michigan	41,065	9,890	2,754	\$40.3 MN
Minnesota	21,050	7,341	2,981	\$32.1 MN
Mississippi	14,592	4,875	2,163	\$25.4 MN
Missouri	35,522	6,153	2,790	\$35.1 MN
Montana	6,978	2,082	644	\$9.4 MN
Nebraska	2,501	731	367	\$3.9 MN
Nevada	8,015	1,879	1,045	\$11.2 MN
New Hampshire	3,579	760	410	\$5.2 MN
New Jersey	27,503	6,996	3,180	\$38.5 MN
New Mexico	12,254	2,992	1,125	\$12.4 MN
New York	103,588	29,946	11,964	\$150.3 MN
North Carolina	38,487	7,570	4,568	\$51.6 MN
North Dakota	2,005	834	323	\$3.9 MN
Ohio	36,882	8,745	3,768	\$49.4 MN
Oklahoma	16,566	4,402	1,990	\$23.1 MN
Oregon	2,772	633	498	\$3.8 MN
Pennsylvania	72,684	19,106	6,487	\$100.6 MN
Rhode Island	9,833	3,290	1,109	\$15.7 MN
South Carolina	30,975	7,599	3,296	\$36.7 MN
South Dakota	4,260	1,342	652	\$8.6 MN
Tennessee	25,024	6,199	3,242	\$36.7 MN
Texas	132,057	39,003	20,723	\$235.2 MN
Utah	17,004	4,186	2,253	\$25.8 MN
Vermont	3,972	1,337	397	\$5.3 MN
Virginia	33,361	7,779	4,373	\$47.5 MN
Washington	24,816	5,858	4,495	\$43.1 MN
West Virginia	9,607	2,187	933	\$13.2 MN
Wisconsin	17,178	5,020	1,980	\$23 MN
Wyoming	4,552	797	428	\$5.9 MN
National	1.3 MN	362,457	169,540	\$1.96 BN

Charitable Giving Incentives

Background

The Charitable Tax Deduction is an itemized tax deduction, where itemizing taxpayers can claim a percentage of money donated to charity as a deduction against taxes owed. However, the Tax Cuts and Jobs Act doubled the standard deduction, drastically reducing the number of taxpayers that will itemize their taxes. This change is projected to reduce giving in the US by 5%. In particular, for the fourth quintile of American taxpayers (people making between \$86,000 to \$150,000) the percentage of taxpayers taking the charitable deduction will fall from 39% to 15%. These donors form the foundation of support for basic needs, disaster relief, and human services charities.

Unfortunately, early reports on 2018 giving are playing out as predicted (please see "[Preliminary 2018 Charitable Sector Giving Results](#)" document). Historically, charitable giving has matched or exceeded Growth Domestic Product (GDP) growth. In fact, in 2014-2017, real growth in giving exceeded GDP growth—by as much as 3.3%. However, in 2018 charitable giving fell far below GDP growth of 2.9%, only rising by about 1.6%.

The *Preliminary 2018 Charitable Sector Giving Results* also shows **donors giving \$250-\$1,000 gave 4% less in 2018 than in 2017**. Donors in this group make up a huge swath of United Way supporters. A payroll deduction of just \$10 per paycheck totals \$250 by year's end.

What is the GDP?

GDP (Gross Domestic Product) is all about how "big" the economy is, i.e. what the total worth is of all the goods and services that a country produces. It's the way economists, politicians and journalists measure the economy.
www.ecnmy.org

Additionally, a recently released [GivingUSA report](#) on 2018 giving to charities in the United States includes key findings showing that **giving to charities by individuals dropped by an inflation-adjusted 3.4 percent in last year**.

As a matter of fairness, no one should have to pay taxes on donations to charities and Congress should expand the charitable deduction to everyone.

H.R. 1260 introduced by Representatives Danny Davis (D-IL) and the Charitable Giving Tax Deduction Act (H.R. 651) introduced by Representative Chris Smith (R-NJ) and Representative Henry Cuellar (D-TX), both do that by creating a non-itemizer deduction.

Talking Points

- We appreciate the **[Senator/Representative's]** long standing support for charities in **[your state]**.
- Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, **is a matter of fairness**. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
- Providing a financial incentive to give, like an expanded charitable deduction, will mean more people are able to give more and will enable charities to serve more people in their communities.
- We need to expand the charitable tax deduction to send a message to all Americans, and especially the younger generations that charitable giving is a key American value that should be rewarded.
- While charities can't replace government programs, helping churches and charities care for those in

need is often a better alternative than turning to more government programs. Expanding the charitable tax deduction will help make sure they have as many resources as possible.

- GivingUSA report on 2018 giving to charities in the United States found that giving by individuals dropped by an inflation-adjusted 3.4% last year. Charities, like United Way, that rely on donations from middle and upper-middle class donors will disproportionately see reductions in giving. Our tight budgets mean lost dollars translate directly to reduced services for our communities.
- We urge you to expand the charitable tax deduction to include every individual and family who donates to charities regardless of their income or the amount they give.
- **For HOUSE:** H.R. 1260 introduced by Representatives Danny Davis (D-IL) and the Charitable Giving Tax Deduction Act (H.R. 651) introduced by Representative Chris Smith (R-NJ) and Representative Henry Cuellar (D-TX) both expand the charitable deduction for all taxpayers, including those who do not itemize, by creating a universal deduction. These bills would incentivize charitable giving for all low- and middle-income taxpayers who do not itemize their taxes. Therefore, I urge you to co-sponsor H.R. 1260 and/or the Charitable Giving Tax Deduction Act (H.R. 651).
- **For SENATE:** I urge you to expand the charitable deduction for all taxpayers, including those who do not itemize, by creating universal deduction. This would incentivize charitable giving for low- and middle-income taxpayers and relieve those donors from taxes on income they give back to their community.

Common counter-arguments and talking points

Counter-argument: Because of tax reform people will have more money in their pockets and will give more/the economy will boom and people will give more.

Response:

1. We've heard that argument, but we are aware of no data or evidence that supports that argument. To the contrary, the overwhelming evidence is that tax incentives increase charitable giving. GivingUSA found that giving by individuals decreased by an inflation-adjusted 3.4% in 2018.
2. Any history of increased giving that correlates with a strong economy is explained by the very existence of the charitable deduction during those boom years. In fact, preliminary giving reports from 2018 demonstrate this.

Counter-argument: Individuals give, and will continue to give, for reasons other than the tax incentives.

Response: We agree. While any individual gives for their own reasons – most often because of the philanthropy traditions and spirit of America – there is complete empirical and anecdotal consensus that (on aggregate) tax incentives increase giving from people at all income levels.

Counter-argument: Let's wait and see what happens with charitable giving as the new tax law takes effect.

Response:

1. 2018 reports show giving rates are below growth expectations.
2. We know what will happen because of the extensive economic studies on charitable giving and tax incentives.
3. There is significant lag time in gathering data on charitable giving. For United Ways, it could be more than two years.
4. While we wait, irreparable damage could occur to communities.

Ask:

- Expand charitable giving incentives to all American taxpayers by creating a universal deduction.

For HOUSE members: We urge you to co-sponsor H.R. 1260 sponsored by Rep. Danny Davis (D-IL) and/or H.R. 651 (the Charitable Giving Tax Deduction Act) co-sponsored by Rep. Chris Smith (R-NJ) and Rep. Henry Cuellar (D-TX).

- Note: Check the list of current co-sponsors on the [Charitable Giving Tax Deduction Act \(H.R. 651\)](#) and the [H.R. 1260](#), before making the ask. Co-sponsors for H.R.651, as of **6/26/19**, are also listed below. If your Member of Congress is already a co-sponsor, thank them for their support and offer to be a resource. If you have questions about which bill to ask your member of Congress to support, contact [Caitlin](#) or [Sarah](#).
- Charitable Tax Deduction Act Co-sponsors (H.R. 651)– as of **6/26/19**:
 - Rep. Smith (R-NJ) **MAIN SPONSOR**
 - Rep. Cuellar (D-TX) **MAIN SPONSOR**
 - Rep. Gaetz (R-FL)
 - Rep. Jackson Lee (D-TX)
 - Rep. Duncan (R-SC)
 - Rep. Gonzalez (D-TX)
 - Rep. Turner (R-OH)
 - Rep. Stefanik (R-NY)
 - Rep. Curtis (R-UT)
 - Rep. Spano (R-FL)
 - Rep. Carson (D-IN)
 - Rep. Holmes-Norton (D-DC at large)
 - Rep. Kuster (D-NH)
 - Rep. Reschenthaler (R-PA)
 - Rep. Ilhan (D-MN)
 - Rep. Malinowski (D-NJ)
 - Rep. Neguse (D-CO)
 - Rep. Schiff (D-CA)
 - Rep. Van Drew (D-NJ)
 - Rep. Blunt Rochester (D-DE at large)

For SENATE members: We urge you to support efforts to restore charitable giving incentives to millions of Americans by creating a universal or non-itemizer deduction.

Child Nutrition Reauthorization

Background

The federally-funded Child Nutrition Programs ensure that children can access nutritious food that supports child health, well-being, and educational success. The Child Nutrition Programs are comprised of the following essential programs:

- **National School Lunch Program:** Provides 5 billion nutritious lunches to 30.5 million children, enabling free and reduced priced lunch to low-income children during the school year.
- **School Breakfast Program:** Enables free and reduced-price breakfast during the school year for eligible school children helping feed 14.6 million kids around the country.
- **Summer Food Service Program (“Summer Meals”):** Helps provide meals to children at public sites where children gather during the summer serving 2.8 million children in 2016. The same children who are eligible for free and reduced-priced lunch during the school year are eligible for summer meals and yet there is a steep drop in access to food in the summer. This utilization rate leaves vast room for improvement in ensuring kids don’t go hungry during the summer.
- **Fresh Fruit & Vegetable Program:** Aims to increase healthier eating habits and combat child obesity by providing fresh fruits and vegetables to some low-income elementary schools across the country.

- **Child and Adult Care Food Program:** Provides meals and snacks at day care, afterschool care, homeless shelters, and after-school programs feeding approximately 4.3 million children each day.

Numerous studies document how participation in the National School Lunch Program, Summer Food Service Program and Child and Adult Care Food Program significantly lower rates of food insecurity for households with children. Studies also find that participation in the Child Nutrition Programs improves the quality of the diet and academic success for children from low-income and food-insecure families.

Every five years, Congress reauthorizes these programs in a package of bills referred to as the Child Nutrition Reauthorization (or CNR) bill. The last time Congress passed a CNR was in 2010, meaning the authorization has been expired since 2015. However, there is a chance that Congress will negotiate a CNR later this year.

These upcoming recesses present a unique opportunity to educate your Members of Congress about the child nutrition programs, and in particular the Summer Food Service Program. We recommend using the tips “2019 Recess Toolkit” and the [webinar from Congressional Management Foundation for the United Way network](#) to invite your federal elected officials to a summer feeding site hosted by your United Way, a funded agency, or community partner.

Talking Points/Ask:

1. One in six children are at risk for hunger – meaning they do not always know where their next meal is coming from. The Child Nutrition Programs, and especially the National School Lunch Program, National School Breakfast Program, and **Summer Food Service Program (Summer Meals)**, are critically important in combatting childhood hunger and improving academic success at home and through communities around the country.
2. In our **[community/state] [name of site/program]** serves **[x children or meals]** a day to help combat summer hunger and prevent “summer slide”. We’d love for you to come and visit us at **[name of site]** at your earliest convenience, to see first hand the impact of this critical nutrition program.
3. As Congress contemplates changes through Child Nutrition Reauthorization, we encourage you to protect and strengthen access to all child nutrition programs. In particular, please:
 - Continue to support community eligibility which gives schools with high percentages of low-income students the option to provide all children school lunch and breakfast, generating administrative efficiencies and reducing child hunger
 - Strengthen access to Summer Meals by lifting up avenues for flexible feeding options and reducing barriers to access as currently, five out of six children who need Summer Meals are missing out.

Social Media

Recesses provide a great opportunity to highlight the advocacy work of your United Way and to mobilize the public to take action in support of our collective policy priorities. On social media, we encourage you to share information, calls to action and pictures from in-district meetings, site visits, or town halls.

Please feel free to customize this content with local data or stories. The **highlighted text** calls attention to areas you should review and adapt.

If you have any question, contact [Sarah Yergeau](#).

Sample Social Media

General hashtags: #UWAdvocate

Issue specific hashtags: #VITAworks #EITCworks

Calls to Action:

VITA (thank you) <http://unitedway.co/2pb0tQJ>

EITC (expand) <http://unitedway.co/2jXF0t7>

Look up your members of Congress and their social media accounts:

<http://cqrcengage.com/unitedway/lookup>

Images

- VITA images can be [download directly here](#).
- EITC images and graphics can be [downloaded directly here](#).

Twitter:

Site Visits:

Thank you [\[@MemberofCongress\]](#) for visiting [\[site location/activity\]](#). We appreciate your support of [\[State-ians\]](#) and the opportunity to talk with you about [\[insert issue\]](#). #UWAdvocate [\[Photo\]](#)

VITA

- Join us in thanking our elected officials for making VITA permanent! Millions of hardworking taxpayers can now continue to count on access to free, quality tax preparation assistance. #VITAworks #UWAdvocate <http://unitedway.co/2pb0tQJ>
- Join us in thanking our elected officials for recognizing that #VITAworks in [\[state\]](#). Congress voted to make VITA a permanent program ensuring millions of taxpayers can count on this critical program for many tax seasons to come. #UWAdvocate <http://unitedway.co/2pb0tQJ>
- Congress voted to make VITA permanent! Thank you to everyone who raised their voices to share how #VITAworks. Each year VITA brings back billions of dollars to the pockets of hardworking Americans. Say "thank you" to Congress today. #UWAdvocate <http://unitedway.co/2pb0tQJ>
- We applaud Congress for making VITA permanent! [\[Thousands/millions\]](#) of [\[state-ians\]](#) who had their taxes prepared at VITA sites in 2018 can continue to count on access to free, quality tax preparation assistance. Join us in saying "thank you". #VITAworks #UWAdvocate <http://unitedway.co/2pb0tQJ>

EITC

- The EITC helps about 25 million working Americans afford the basic necessities, like groceries, rent, transportation, and health care. By expanding the EITC, workers currently excluded will be able to keep more of what they earn. #EITCworks #UWAdvocate <http://unitedway.co/2jXF0t7>
- We know #EITCworks by promoting work, lifting millions out of poverty and improving child health and academics. Congress should know too. Take action to #ExpandEITC. #UWAdvocate <http://unitedway.co/2jXF0t7>

Facebook:

- Join us in thanking our elected officials for making VITA permanent! Millions of hardworking taxpayers can now continue to count on access to free, quality tax preparation assistance. <http://unitedway.co/2pb0tQJ>
- Join us in thanking our elected officials for recognizing how important it is that VITA continues to be available in [State]. Congress voted to make VITA a permanent program ensuring millions of taxpayers can count on this critical program for many tax seasons to come. <http://unitedway.co/2pb0tQJ>
- Congress voted to make VITA permanent! Thank you to everyone who raised their voices to share how VITA works for taxpayers in [STATE/COUNTY]. Each year VITA brings back billions of dollars to the pockets of hardworking Americans. Say "thank you" to Congress today. <http://unitedway.co/2pb0tQJ>
- Thank you [@MemberOfCongress] for standing for low- and moderate-income taxpayers by supporting VITA permanence. [Thousands/millions] of [state-ians] thank you for protecting access to free, reliable tax preparation assistance.