



SB 797-Human Services - CASH Campaign - Annual Appropriation
Budget and Taxation Committee
March 09, 2022
POSITION: SUPPORT

The undersigned organizations **SUPPORT** SB 797. This bill will increase CASH’s state grant to \$500,000 in order to continue to expand access to free tax preparation during these critical times.

The CASH Campaign of Maryland promotes economic advancement for low- to moderate-income individuals and families in Baltimore and across Maryland. It accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. One of the many ways CASH and its partners across the state achieves this by providing free tax preparation services through the IRS Volunteer Income Tax Assistance (VITA) program. CASH’s VITA program provides free tax preparation services to help low-income individuals and families file tax returns, avoid predatory fees, and claim the Earned Income Tax Credit (EITC). **Almost 4,000 of CASH’s tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

For the past two years, tax preparation has become essential to providing financial assistance to Marylanders through stimulus payments and tax credits. Research from the U.S Census shows stimulus payments had the second biggest impact and tax credits had the fourth biggest impact on keeping families from experiencing poverty¹. CASH’s efforts to provide this critical service to Maryland have been reduced due to the pandemic and increasing CASH’s state grant will allow CASH to meet more of the increasing demand.

CASH has adopted a year-round model which is a significant increase over the traditional January to April tax season. This is needed to help as many Marylanders as possible claim their stimulus payments, expanded EITC, and Child Tax Credit. To provide these services, CASH and its partners operated 31 tax sites across Maryland in 2021.

Every year, CASH hires seasonal workers who are site managers and support partners in 19 of the 24 counties through subgrants and technical assistance. CASH and its partners annually engage 600 volunteers to support the program. Longer tax seasons allow for more people to be served, which increases the cost to support partners and site managers. CASH has adopted a year-round model which is a significant increase over the traditional January to April tax season.

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2021 Free Tax Prep		
	31	VITA sites statewide
	12	sites in Baltimore
	Baltimore	Statewide
Federal Returns Filed	5,000	15,500
Volunteer Tax Preparers	181	334
Volunteer Hours	2,246	24,564
Federal & State Refunds	\$10 million	\$24 million
Tax Prep Fees Saved	\$1 million	\$3 million

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¹ [The Supplemental Poverty Measure: 2020](#)



year-round model which is a significant increase over the traditional January to April tax season. This is needed to help as many Marylanders as possible claim their stimulus payments, expanded EITC, and Child Tax Credit. Last year, CASH and its partners operated 31 tax sites across Maryland. In order to provide services across the state, CASH hires seasonal workers who are site managers to support our work and provide services. Longer tax seasons allow for more people to be served, which increases the cost to support partners and site managers.

Last year in Baltimore City alone, CASH had 60,000 calls for assistance. CASH was able to serve 5,800. In a typical year, CASH serves 10,000 households in Baltimore. Despite the challenges and necessary limitations due to the global pandemic, CASH enabled Maryland residents to save \$3 million in tax preparation fees last year and delivered \$24 million in state and federal refunds directly to Marylanders.

Increasing CASH's state grant will help strengthen the free tax preparation infrastructure which will help Maryland families receive their full refunds.

For these reasons, we encourage a favorable report on SB 797.

Organizations

Bridges to Housing Stability, Inc.
Capital Area Food Bank
CASA
Centro de Apoyo Familiar
Cross Community - The Equity Center
Financial Social Work Initiative
Human Services Programs of Carroll County
LifeStyles of Maryland Foundation, Inc.
Lindler Fried Group
MakingChange, Inc.
Maryland Center on Economic Policy
Maryland Consumer Rights Coalition
Maryland Family Network
Montgomery County Community Action Board
Prince George's CASH Campaign
Sororal Twin Studios
The Woodside Foundation
United Way of Frederick County
University of Maryland Baltimore, Office of Philanthropy
University of Maryland Baltimore, School of Social Work
Wilmax Advisory LLC

Creating Assets, Savings and Hope