

## EARLY LESSONS ON INCREASING PARTICIPATION IN THE CHILD TAX CREDIT

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The American Rescue Plan temporarily increased the child tax credit (CTC), including extending the full value of the credit to families who had not previously filed tax returns. From July to December of 2021, the Internal Revenue Service automatically sent monthly payments of the CTC to the majority of families with children who appeared eligible for the credit—in advance of them filing a 2021 tax return. If a family did not receive an automatic payment, they needed to claim the credit through a new web portal set up by the Internal Revenue Service or an alternative portal set up by a partner agency. The Birth through Eight Strategy for Tulsa, an initiative of the George Kaiser Family Foundation, worked to facilitate finding low-income families who were likely to miss out on advance payments of the CTC or on the CTC entirely. Tulsa's existing network of service navigators was able to quickly ensure that many eligible families could file taxes and receive their advance CTC payments; ensure that over 300 new filers received over \$1 million in payments; and create a pipeline of future filers, such as new mothers. The partnership's creative outreach to hospitals and schools were two promising approaches, and the work of trusted service navigators who provided culturally literate outreach to Latine<sup>1</sup> communities also led to more families receiving CTC payments. We document how Tulsa's referral system allowed an individual interacting with any part of the multiagency network to be connected to a trusted partner with expertise in the services and resources they needed, including, in this instance tax preparation.

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<sup>1</sup> We recognize that language evolves, and we strive to be inclusive in our work. Thus, we have adopted "Latine" as a more gender-neutral term to reference people of Latin American heritage. To read more about this term, see Evan Crochet, "Let's Nix Latinx: Latine Is the Word You Were Already Looking For," The Diversity Movement, January 18, 2022, <https://thediversitymovement.com/nix-latinx-latine-is-word-you-were-looking-for/>.

The American Rescue Plan Act (ARP) temporarily increased the federal child tax credit (CTC) in 2021 and changed how it was paid. The maximum credit increased from a maximum of \$2,000 per child to a maximum of \$3,600 per child under age 6 and \$3,000 per child ages 6 to 17. The credit was also made “fully refundable,” meaning that even very low-income families could receive the maximum benefit. Families with very low incomes became eligible for the CTC for the first time, and many other families became eligible for increased benefits from the credit. Typically, a family would receive their 2021 CTC and other tax credits when they filed a tax return in early 2022. However, the ARP directed the Internal Revenue Service (IRS) to pay up to half of the 2021 CTC in monthly installments between July and December 2021, meaning many families would get some of the benefit sooner than usual. Monthly payments were automatically sent to any family that had filed a tax return in 2019 or 2020 or had claimed an economic impact payment in 2020 and appeared to have an eligible child. The payments were based on the most recent information the IRS had, but that left some people out. Any credit not received in advance could still be received by filing a tax return in 2022.

Two primary groups of people were most at risk of missing out on the automatic advanced payment of the CTC: families who had not filed tax returns or claimed a previous economic impact payment and families who had a new child in the household since their most recent tax return had been filed. The first group likely contained many low-income families who were not generally required to file a tax return. The second group included families with children born in 2021 as well as families with children who shifted custody from another household.

The Birth through Eight Strategy for Tulsa (BEST), an initiative of the George Kaiser Family Foundation, worked to facilitate finding both groups of families who were likely to miss out on advance payments of the CTC or on the CTC entirely. Ultimately, the only families who were able to claim an advance CTC payment who did not receive an automatic payment were those who had not previously filed a tax return but had children who would have qualified and who did not appear on a prior return of someone else. Although the IRS had intended to develop the ability to enroll children born in 2021, the agency was ultimately not successful. This meant that in Tulsa, as was the case across the United States, new parents could not receive advance monthly CTC payments. Parents who lived with a child in 2021 who did not live with them in a previous year could also not claim the CTC if their child appeared on another person’s tax return and that person was already receiving advance monthly payments. Outreach efforts (1) likely increased the number of people receiving the advance monthly credit who had not filed taxes, (2) may have informed some families they were due the payment, leading them to investigate if they had not received it, and (3) increased general awareness of this expanded benefit.

An estimated 460,000 payments went out in Oklahoma according to the US Department of the Treasury.<sup>2</sup> How many families in Oklahoma did not automatically receive their CTC is unknown, though the IRS released data that suggested there were 4,000 children living in Tulsa County who (1) lived in families who appeared in health insurance data in 2019 or 2020 and (2) did not also appear on a tax return. These children were likely eligible for but did not automatically receive the payment (Maag and Walker 2021).

In the next section, we describe the partners working with BEST and results from outreach efforts aimed at finding people eligible for the CTC who did not automatically receive it. Our findings are based on a series of interviews with partners, local entities, and direct service organizations in Tulsa, as well as an analysis of the CTC recipients in Tulsa. In total, over 300 families received advance CTC benefits after applying for them through a web-based portal developed by Code for America. This led to nearly \$1.3 million in payments to families across Tulsa. This was slightly higher than in Tampa and Pittsburgh, comparably sized cities, which had 244 and 267 successfully processed returns, respectively, through the same portal.<sup>3</sup> In addition to getting cash to families that needed it, the partnership solidified a collaboration

<sup>2</sup> This information can be found on the Excel file titled “Advance CTC Payments Disbursed by December 2021 by State,” available at “Treasury and IRS Disburse Sixth Monthly Child Tax Credit to Families of 61 Million Children,” Department of Treasury, accessed March 30, 2022, <https://home.treasury.gov/news/press-releases/jy0533>.

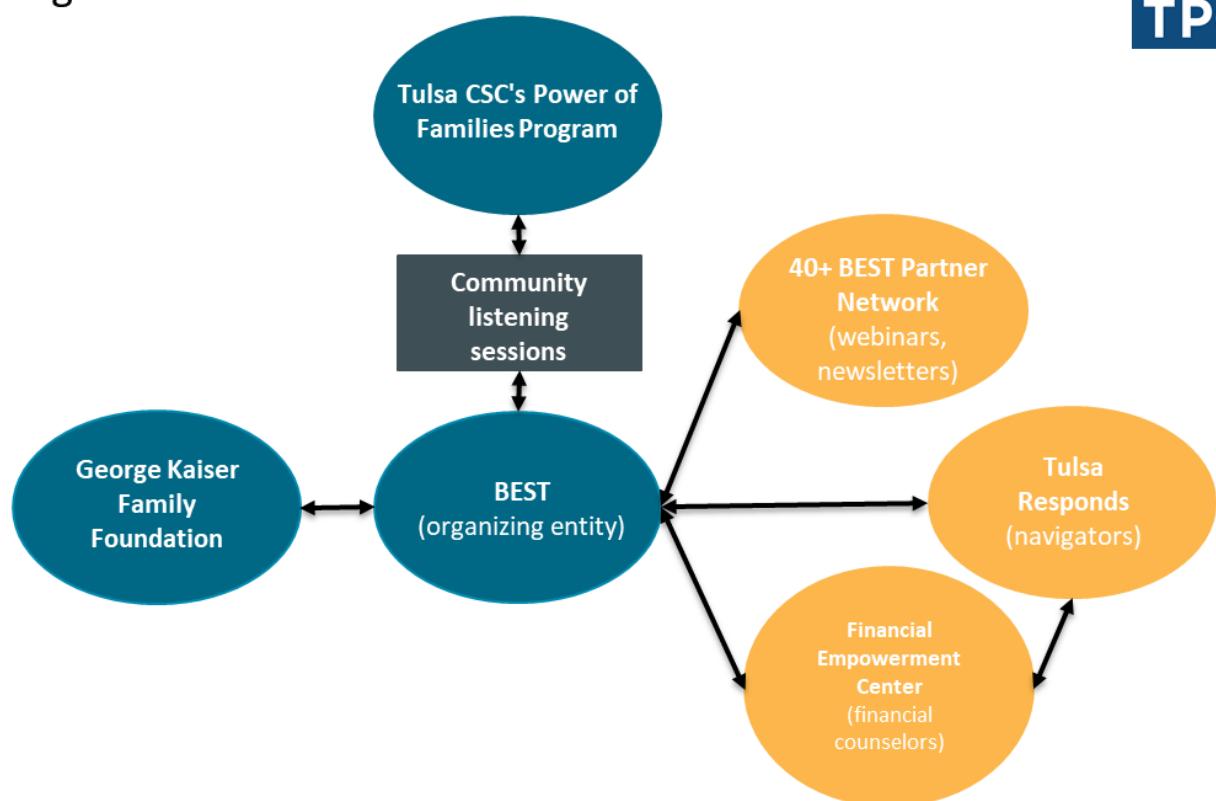
<sup>3</sup> [www.GetCTC.org](http://www.GetCTC.org), accessed February 2017, 2022.

between a range of service navigators, expanded existing outreach networks, and set up a pipeline of referrals that could be used to reach out to new mothers for the 2022 tax season and beyond.

## CAMPAIGN OVERVIEW AND PROCESSES

BEST's mission is to provide every child with an equal opportunity to succeed. To do this, they work with an array of public and private partners.<sup>4</sup> This network, which existed before the enactment of the expanded CTC, provided BEST with a logical group of partners for CTC outreach efforts. We spoke to partnership members who worked as service providers, coordinators, and connectors; a full organization chart of the partnership is shown in figure 1.

**FIGURE 1**  
Organization Chart



**Source:** George Kaiser Family Foundation.

**Notes:** BEST = Birth through Eight Strategy for Tulsa; CSC = Community Service Council.

Orange entities are direct service navigators or providers; blue entities are organizing or funding organizations; gray squares are direct community input mechanisms.

The Community Service Council's Power of Families Project, which focuses on Latine families, and the BEST partners, which serve families with children from birth through age eight, served as two networks of service providers connected to families who might not have received the advance CTC payments automatically. They delivered a variety of outreach materials that directed people to Tulsa Responds, a Tulsa-based organization with a team of service navigators that had worked to enroll families in Medicaid and the Supplemental Nutrition Assistance Program and assisted with filing taxes. Service navigators at Tulsa Responds, who are trained in connecting eligible families to public and private resources,

<sup>4</sup> "How We Work," George Kaiser Family Foundation, accessed March 30, 2022, <https://www.gkff.org/who-we-are/how-we-work/>.

and counselors at the Financial Empowerment Center provided individualized support to families looking to file tax returns and get their advance payments.

Representatives from each of these partners expressed that the expanded CTC was a “once-in-a-generation” opportunity to fight childhood poverty. They worked within established networks to reach out to families and provide assistance enrolling in advance CTC payments. They continued working with these families to file a tax return in early 2022 to claim any CTC payments (and other tax benefits) owed that these families had not yet received. Before filing a tax return, many families had received just half of the credit they were owed. Families eligible for the credit who had not received any portion of it received their full credit when they filed a tax return.

Starting in summer 2021 and through November of that year, these organizations worked to set up CTC outreach opportunities, referral to organizations that could help claim the credit, and navigation mechanisms to help people claim the advance credit. These efforts included reaching out to service navigators who had previously worked on Medicaid enrollment or tax preparation to early childhood organizations, schools, and hospitals for referrals. In June, the IRS set up a web portal where some people who did not receive automatic CTC payments could sign up get them in the remaining months. Code for America set up a similar site, GetCTC.org, which was designed to simplify the process of claiming the CTC.

Once advance CTC enrollment ended in November, Tulsa Responds navigators turned to tax season preparation for 2022, which included outreach to new mothers who had not been able to claim the advance payments. The 2021 tax filing season opened on January 24, 2022. BEST partners continued reaching out to families who might not have been planning to file a tax return but were eligible for the credit. As noted by staff at Tulsa Responds, this tax filing season presented an opportunity to learn about new filers, which could lead to additional, productive outreach. We recommend that BEST partner organizations continue to ensure that a community member who contacts any organization will be connected to the correct organization and to reach out to communities that may have a disproportionate share of families who do not regularly file tax returns.

## FINDINGS IN TULSA AND ACROSS THE NATION

According to Code for America, over 115,000 families nationwide who had not received their CTC automatically used the organization’s electronic portal, GetCTC.org, to file tax returns. Of these, 319 were from Tulsa. Nationally, families have claimed \$440 million in advance CTC payments.<sup>5</sup> In Tulsa, nearly \$1.3 million in payments were claimed. In a summary report Code for America highlighted some successful strategies for getting families their advance CTC payments, and many of these strategies are similar to what we found worked in Tulsa. We highlight these shared lessons here:

1. **A small share of families had not previously filed a tax return and did not automatically receive the CTC in July 2021. Reaching those nonfilers required one-on-one outreach and support.** Nationally, the vast majority of eligible families<sup>6</sup> filed a tax return in 2019 or 2020 or had claimed an economic impact payment in 2019. These families generally received advance CTC payments automatically. GetCTC.org provided families who had not filed a tax return (“nonfilers”) with a way to sign up for their advance CTC payments. These families often required more support than the portal was able to provide.

In Tulsa, almost 900 families submitted returns through the GetCTC.org portal, mostly in October and November, but not all of these families received advance CTC payments. About 43 percent were denied because the filer had already filed a 2020 return or because they or the child they were claiming already appeared on someone else’s

<sup>5</sup> “GetCTC Is an Ongoing Experiment—Here’s What We’ve Learned So Far,” Code for America, January 31, 2022, <https://codeforamerica.org/news/getctc-simplified-filing-report-2021/>.

<sup>6</sup> “IRS: Monthly Child Tax Credit Payments Begin,” news release, Internal Revenue Service, July 15, 2021, <https://www.irs.gov/newsroom/irs-monthly-child-tax-credit-payments-begin>.

return. About 16 percent of submissions were not accepted because the IRS was unable to properly verify the person's identity, and 5 percent were not accepted because of another technical reason. That left 319 returns (about 36 percent) that were successfully approved through the GetCTC.org portal. The application process is long and requires personal information that people may be reluctant to provide. Several interviewees who work directly with families highlighted the importance of navigators providing one-on-one support to families who do not regularly file taxes, walking them carefully through the forms and requirements needed to receive the CTC.

Some families who were denied the credit may have ultimately been determined eligible for the credit if or when they filed a tax return for 2021. For example, a 15-year-old might have appeared on a parent's tax return in 2019, triggering a payment to the parent, but that child might have become a parent by 2021. In other cases, the child being claimed on the rejected submission may have been properly claimed but been living with another adult in 2019. The IRS likely sent the payment automatically to that other adult. Filing a 2021 tax return (in 2022) should have resolved these situations and allowed the new parent or custodian of the child to receive the credit.

2. **Tax policy is complicated, and past fears can drive skepticism of new programs. Building trusting relationships with partners is essential to program success.** Front-line staff cannot be experts on every program, but they can refer families to an expert. This specialization allows those who engage with families to focus on building trust, providing information, and referring people to an appropriate agency when needed. Several interviewees explained that there is often a trade-off between building trust and providing information about a wide breadth of potential programs. The BEST network was able to reach people through trusted sources and direct them to an agency that could help them file taxes to try and claim the CTC.

People often fear owing taxes and not being able to pay them. Generally, when a person files a tax return, they calculate initial taxes owed and then offset all or some of that amount with tax credits they qualify for to calculate the final amount of tax they owe. In many cases, they will have had money withheld from paychecks to cover that bill. If refundable tax credits exceed taxes owed or too much has been withheld from paychecks throughout the year, families receive a tax refund. The ARP included a provision that allowed most low-income families to keep any advance CTC payments that had been made in error. This was a new provision, and many families were skeptical of it: some participants in community listening sessions explained that they had not spent the money but rather kept it in their account in case they later needed to pay it back.

Tax preparers have an established history of completing tax returns correctly and working with families to understand their needs and their situations. Particularly with immigrant families or families with mixed immigration statuses, the role of the tax preparer is often underappreciated. One interviewee working closing with promotoras (community peer educators) explained, "I've heard from the promotoras the importance of the tax person, the role they play in sharing information and the trust put in them." This demonstrated history of support and of one-on-one relationships was important when it came to building trust and addressing concerns around child custody or the potential for the IRS to demand repayment of benefits.

3. **Targeted information to targeted audiences produced the best results.** Nationally, Code for America found that direct messages (texts, emails, robocalls, and letters) from benefits agencies linking to GetCTC.org were effective. On the whole, repeated messages from several different sources appeared to be effective.

In Tulsa, flyers advertising the CTC were sent over Peachjar, the school district's electronic communication platform. Nationally, Code for America saw school outreach as a promising but untested strategy. In Tulsa, this school outreach motivated 300 people to contact Tulsa Responds to see if they were eligible to claim the CTC. Similarly, a flyer provided by BEST partners to new mothers in the hospital prompted 17 new mothers to contact Tulsa Responds from the hospital. Mothers with babies born in 2021 were not eligible for the advance CTC payments, but BEST partners added their contact information to their records to follow up with them during the 2022 tax filing

season. Referrals also came from local news, word of mouth, and other referral partners, so families were “met where they were” through systems they already used (figure 2).

Nationally, Code for America found that providing information tailored to the families’ context proved most effective in translating outreach into enrollment and in supporting organizations that were inundated by information from different sources. In Tulsa, partners helped build out tailored materials from a centralized hub for resources. Tulsa had a childhood tax credit hub, where partners could download resources and input their logos; these resources were also customizable for diverse audiences.

**TABLE 1**

Source of GetCTC Referrals, Tulsa and Nationally



Outreach	Tulsa Responds Estimated Referrals	GetCTC Estimated Referrals – Nationally
Direct outreach programs (e.g., governments, organizations, and agencies directly reaching out to their clients or contacts via text, emails, phone calls, or in-person outreach; and advertisements from social service providers)	NA	30–40%
School	36%	NA
Hospital	16%	NA
Other	19%	NA
Online/web search	13%	25–40%
Word of mouth	5%	15–30%
News coverage and ads	12%	5–10%

**Note:** NA = not applicable. Ranges are estimates calculated by Code for America. Estimates include total referrals, not just filers.

## RECOMMENDATIONS AND NEXT STEPS

### *Strengthen Coordination Capacity and Referral Networks*

The BEST partnership sought to reach as many families as possible, often relying on unconventional outreach strategies and adapting as needed through 2021. As the partnership seeks to formalize its networks for other campaigns, it should build a stronger understanding of roles and responsibilities across the different organizations and define those roles in ways that do not limit the flexibility of the partnership. This means clearly outlining a strategy that connects partners to their respective audiences to avoid redundancy and ensure broad outreach coverage.

Many of the coordination challenges from the past year were experienced because protocols surrounding the CTC payments were being determined in real time, including the ability to process payments to babies born in 2021, and because the portal was transitioning from the IRS site to the Code for America site. The Tulsa Partnership was able to adapt in real time and have a “no wrong door” approach, meaning that no matter what partner approached a client, the partner would work to get them to the correct place. In this case, regardless of what trusted partner reached out to people potentially eligible for the CTC, the family would be directed to an agency that could help file and explain taxes.

As the partnership seeks to build outreach capacity now that policies are more clearly delineated, a top priority should be to focus on coordination of service navigation and to harness the potential of the Unite Us referral network, which includes the BEST partners. The Unite Us network, when coupled with the no wrong door policy, could become what is

known as a “closed-loop” referral network. Creating such a network would enable greater coordination between front-line and back-office resources and further enable front-line staff to focus on building trust.

### **Build Capacity to Reach Out to Nonfilers**

One of the biggest challenges with the CTC remains the difficulty in identifying and reaching out to nonfilers. Tulsa has long-standing tax referral and assistance programs, such as Goodwill VITA, which processed over 3,000 tax filings in 2021 alone. However, families who do not file taxes and who do not interact with service navigators may slip through the cracks and are often the hardest to support. This finding is not limited to Tulsa: Code for America also found that for every two to three families who could use GetCTC.org, community groups would need to speak to 100 people. Even when someone would visit GetCTC.org, the majority of visitors to the home page did not file a return (because many of them needed services beyond simple filing) and the majority of GetCTC.org clients (79 percent) did not receive advance CTC payments.

In Tulsa, four interviewees identified immigrant families, particularly Latine families, as a group that required more outreach. Two interviewees suggested unhoused families needed more outreach. During a community listening session for Latine families with children, some families mentioned they did not know whether they qualified for the CTC. There are many reasons for these challenges, including that many immigrant families are suspicious of the tax system, many undocumented families have reason to be wary of government systems, and connecting with families who lack an address is difficult. Moreover, if unhoused people are also unbanked, advance payments sent to them by check to a prior address may have not been accessible.

However, mechanisms are in place in Tulsa to reach out to families, including bilingual promotoras (community peer educators) and service navigators who come from Latine communities and understand their cultural and socioeconomic contexts. One city agency interviewee described their navigators as “individuals who 24/7 are bilingual and understand the culture and the socioeconomic implications, and my other staff all really understand cultural and socioeconomic contexts, perhaps they themselves were born to undocumented parents or perhaps they had to navigate the services themselves as an adult.”

Similar mechanisms could be put into place to better understand the needs and concerns of unhoused people. One interviewee mentioned the potential of integrating data on delinquent utility charges to understand where low-income or struggling families live and using that data to focus outreach to them. There is no “one-size-fits-all” model for effective outreach strategies, and outreach and data must be paired in order to successfully identify and reach those nonfiler families. The culturally specific Latine outreach strategy can be a model for other families at risk of not receiving the benefit.

## **CONCLUSION**

Tulsa’s existing network of service navigators was able to quickly ensure that many eligible families could file taxes and receive their advance CTC payments; ensure that over 300 new filers received over \$1 million in payments; and create a pipeline of future filers, such as new parents. The partnership’s creative outreach to hospitals and schools were two promising approaches, and the work of trusted service navigators who could provide culturally literate outreach to Latine communities also led to increased impact.

In addition to these measures, Unite Us offers a promising way to create a closed-loop referral system. A closed-loop referral network would help front-line staff by freeing them of the burden of being an expert on all topics, and it would create a no-wrong-door policy to ensure that families who respond to outreach efforts are connected to the services and resources they need.

As clients filed tax returns for the first time in 2022, Tulsa Responds—the BEST partner supporting families in filing tax returns—had another opportunity to learn what motivated people to file and what made them hesitant to file in prior years. This information can provide insight to help organizations reach others who did not file in 2022 but were eligible for the CTC as well as aiding in future efforts.

By coupling outreach with referral networks, the partner organizations in BEST were able to support families and build trust with families, many of whom will rely on the organizations not only for CTC payments but also for tax preparation assistance and possibly other support. When leveraged correctly, outreach can be an entry point to help a family on an ongoing basis rather than just an avenue toward a one-time payment.

## REFERENCES

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