

HELPING NEW MOTHERS UNDERSTAND THE BENEFITS OF FILING TAXES

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In 2021, the American Rescue Plan Act (ARP) expanded the child tax credit and automatically sent payments to eligible families based on tax returns filed in 2019 or 2020. One group not automatically enrolled were first-time mothers. In this brief we examine survey results of new mothers who participated in the Nurse-Family Partnership ® (NFP) to better understand how new mothers interacted with the tax system. We find that trusted messengers and access to tax-filing assistance helped new mothers better access benefits. Although our results are based on a new collaboration during a unique period, the collaboration between the National Service Office of the Nurse-Family Partnership and Child First and Let's Get Set (LGS) led to an increase in new mothers filing tax returns, and for those filing, families receiving larger refunds and being more likely to use free tax-filing services than those not informed about Let's Get Set.

In 2021, the ARP expanded the child tax credit (CTC) by increasing its maximum value and considerably expanding eligibility for the credit. Up to half of the credit was sent to families in monthly payments between July and December of 2021 based largely on the information the IRS had for tax returns filed in 2019 or 2020 (CRS 2021).

The expansion of refundable tax credits, and the introduction of advanced monthly payments for the CTC, helped families access funds when most needed. Most critically, making the credit fully refundable, which allowed low-income families to claim the full credit, helped lift many families out of poverty (Acs and Werner 2021; Creamer et al. 2022; Karpman et al. 2022).¹ Research has shown that the credit supported parents in a number of dimensions, including by

¹ Elaine Maag and Nikhita Airi. 2021. "The Child tax credit grows up to lift millions of children out of poverty," TaxVox (blog), March 16, 2021, <https://www.taxpolicycenter.org/taxvox/child-tax-credit-grows-lift-millions-children-out-poverty>.

improving their families' nutrition, improving food sufficiency, decreasing their reliance on credit cards, or allowing them to make long term educational investments (Hamilton et al. 2022; Karpman et al. 2022).

However, some families were more likely than others to miss out on advanced payment of the credit, including families of color, those with lower income, and families with a new first child in the household (Bovell-Ammon et al. 2022; Cox et al. 2021; Karpman et al. 2021; Walker et al. 2022). Many of these families were unaware of their eligibility (Karpman and Maag 2022) and families with children born in 2021 were ineligible for the advanced payments. These families, especially families with their first child, also may not have filed a tax return in 2019 or 2020 or may not have had a child on their most current tax return, making them only eligible for the expanded credit by filing taxes in 2022.

Since the introduction of the expanded credit in 2021, concerted outreach efforts have been made to try and ensure the CTC reaches all eligible families. The White House (White House 2021), state and local governments (Kenny 2022), nonprofit organizations (Code for America 2022; McKitterick 2022; Walker et al. 2022) and other organizations (Walker et al. 2022) have all invested considerable resources to increase the uptake of the benefit. These targeted efforts have shown success in increasing awareness of the credit and expanding the number of people receiving the benefit (Walker et al. 2022).² But to truly be effective, outreach efforts must be coupled with increased assistance in navigating the complicated tax system.³ In this report, we examine one such comprehensive effort from a partnership between two organizations focused on new mothers.

Let's Get Set (LGS) is a mission-driven financial technology company that builds mobile tools to advance the financial security of low- and middle-income parents. This year they offered a webapp accessible via URL and a text line to guide new parents at risk of missing out on benefits available through the tax system. New mothers set up an account on the LGS website to learn about credits, estimate their refund, identify the forms they needed to file, and connect directly with free tax filing services. Throughout the process, new mothers received reminders and support by text message and could text the LGS help line with questions. Although the website and assistance did not directly complete participants' tax returns this year, LGS made tax information more accessible to parents. The Nurse-Family Partnership ® (NFP) is a national program that brings together nurses with mothers who are expecting their first baby. Their goal is to provide mothers with trusted support to build the lives they want for themselves and their children.

Since late 2021, the National Service Office of the Nurse-Family Partnership and Child First (the organization implementing NFP) has worked with LGS to help connect new mothers engaged with NFP with tax-filing information. Throughout the tax-filing season, visiting nurses who work closely with clients referred clients to LGS for support with tax filing. This partnership provides a unique opportunity for nurses to become trusted messengers that can relay information on the CTC and direct families to the resources provided by LGS. This is particularly crucial given that findings from previous studies show that trusted messengers are key in outreach efforts targeting populations at risk of missing out on the CTC (Cox et al. 2021). To date, LGS has assisted at least 1,400 clients, the vast majority through their collaboration with NFP.

This brief examines how the introduction of information and access to tax preparation assistance helped new parents in accessing the CTC; through surveying these parents (and others not receiving services from LGS), we aim to understand what helps new parents in the decisions they make concerning whether and how to file taxes. We are interested in understanding how accessing these services may have varied across demographic characteristics of mothers and what

² "What's Next for Cash-Based Social Policies? Lessons from the Expanded Child Tax Credit," Urban Institute, March 14, 2022, <https://www.urban.org/events/whats-next-cash-based-social-policies-lessons-expanded-child-tax-credit>.

³ Richard C. Auxier, "Volunteer tax prep is a crash course in pandemic tax policy," TaxVox (blog), Tax Policy Center, April 2022, <https://www.taxpolicycenter.org/taxvox/volunteer-tax-prep-crash-course-pandemic-tax-policy>.

hurdles or hesitations new mothers might have faced during tax season. Results are preliminary and suggestive rather than conclusive. This is a new partnership and processes and protocols continue to evolve and adapt in response to early learnings.

The brief draws on a survey of 1,500 NFP clients: 750 worked with LGS and 750 did not. To engage potential respondents, NFP clients were invited to participate in the survey via text message and were contacted three times over a two-week period. The text messages included a link to the survey, and respondents could receive a \$25 gift card if they included an email address. The survey was available in English and Spanish. This sampling method yielded a response rate of 50 percent of LGS participants and 47 percent of non-LGS participants, all of whom completed at least 60 percent of the survey.

The survey for new parents included questions on whether mothers filed taxes in 2021, claimed their child on their taxes, if they used tax-filing services, and how they spent any refund money they received. We also asked if they had opinions on whether to receive the child tax credit in monthly installments or as a lump sum, what other government programs or payments they might have received, as well as whether they heard of or used LGS's website and various questions on their experience using LGS's assistance (see appendix A).

By examining surveys of new parents, we seek to draw lessons about how to best assist families at risk of missing out on the credit, how the CTC can best meet the needs of first-time mothers and how organizations such as LGS and the NFP's National Service Office can collaborate to have an impact on clients.

FINDINGS

Who are Nurse-Family Partnership (and Let's Get Set) clients?

New mothers engaging with NFP and LGS tend to be younger and are less likely to identify as being white than other women giving birth over the past year. Compared with national statistics of families who had a baby born in the past year, participants in this study included five times the share of mothers age 19 and under and nearly double those age 20 to 24 (table 1). The sample also showed a higher prevalence of non-Latine Black and Latine⁴ mothers and lower average reported income. This is not surprising given NFP primarily serves mothers who are having their first child and those of low/moderate income (LMI).

However, LGS users and non-LGS users shared very similar characteristics. In both subgroups, more than 30 percent of participants were Latine, though fewer mothers who identify as Latine interacted with LGS and about a quarter were non-Latine Black or African American. An equal share of participants identified as multiracial and made up about 7 percent of our sample and a similar share declined to self-identify. About 4 percent of our sample identified as Asian, American Indian or Alaska Native, or Native Hawaiian or Pacific Islander.

Almost half of respondents reported earning less than \$15,000 in income, compared with 9 percent of people giving birth nationally. LGS participants were more likely to report income in the \$15,000 to \$30,000 range than non-LGS users, but the main difference was that non-LGS participants were more likely to be unsure of what they earn. This

⁴ Although the survey employed the term *Hispanic*, we use the term *Latine* throughout the brief to be inclusive. We understand not every member of this group may identify with this term, and there may be generational differences in preferred terms (see Schwabish and Feng 2021).

Respondents who declined to answer both race and ethnicity questions are categorized as declined. Respondents who self-described as Hispanic/Latine but declined to answer regarding their race are classified as Latine (any race). Respondents who provided information on their race but declined to answer regarding their ethnicity are classified according to their response on race.

might reflect the fact that the LGS tool asks users for an estimate of their income to help calculate their likely refund. Thus, interacting with the website may have led to more knowledge in individuals of their earnings.

Although the group of participants was not comparable to national averages, it was comparable by race and ethnicity to the share of new births reported by Medicaid recipients (those who reported paying for their medical services related to a birth with Medicaid) in the National Vital Statistics Report. This is a more similar population to the low/moderate income (LMI) individuals who NFP serves. However, participants were more likely to be under the age of 25 than Medicaid recipients. Because LGS clients and non-LGS clients were comparable, we examined information about the degree to which LGS may have affected new mothers, but because our samples were relatively small, relationships should be viewed as suggestive. Overall, we believe the conclusions of this study illuminate important findings for a population that has been historically at-risk and underserved when it comes to tax benefits.

TABLE 1

Nurse-Family Partnership Survey Respondent Demographics Compared with US Births

By Let's Get Set use, race and ethnicity, age, and income

	Survey Respondents			All US Births	
	Total	LGS	Non-LGS	Total	Medicaid recipients
	%	%	%	%	%
Total	100	100	100	100	100
<i>Race and ethnicity</i>					
White (Non-Latine)	32	32	31	51	35
Black (Non-Latine)	24	25	24	15	22
Latine (any race)	34	32	36	24	35
Other	10	11	9	10	7
<i>Age groups</i>					
19 and under	20	22	19	4	8
20 to 24	37	39	35	18	27
25 to 29	27	25	28	28	30
30 and above	16	14	18	49	35
<i>What was your personal income in 2021?</i>					
\$0 to \$14,999	46	46	46	9	—
\$15,000+	32	32	32	91	—
No response	24	21	27	—	—

Source: Tax Policy Center analysis of Nurse-Family Partnership client survey. Shares of US births by race and ethnicity and age from Centers for Disease Control and Prevention. 2022. "Births: Final Data for 2020." *National Vital Statistics Report* 70 (17); shares of US births by income from the American Community Survey, 2017.

Note: There were 742 survey respondents: 373 used LGS and 351 did not. Comparable income data were not available for Medicaid recipients only. Numbers may not sum to 100 percent due to rounding.

What did the 2021 Tax season look like for LGS and non-LGS new mothers?

We begin by examining the interaction of how mothers who worked with LGS and those that did not responded to questions about whether and how they filed taxes (table 2). We find that assistance from LGS had a positive and statistically significant but modest influence on who filed their taxes in 2021. Depending on whether we controlled for demographics (income, age, and race and ethnicity), LGS mothers were 5 to 8 percent more likely to file taxes themselves or as a married couple compared with non-LGS mothers (see appendix B for regression results). This could be because of learning more about the benefits of filing taxes or because those that were going to file taxes were interested in connecting with LGS. We also found that nurses were less likely to talk to clients about taxes if the clients reported having little or no income (Airi et al. 2022). In contrast, non-LGS clients were more likely to have partners that filed taxes when they did not and claimed the baby. However, about 7 percent of parents did not file, despite all citizen children being eligible independent of parent immigration status and earnings, implying that parents may have not accessed all benefits available. When LGS users were asked if they would use the service again next year of those who responded almost 60 percent said they would use it again, 5 percent said they would not, and about one-third said they were not sure.

We also found that of survey respondents who included information on the size of their refund or amount owed⁵ mothers who interacted with LGS received a refund that was on average \$500 higher than those that did not and was marginally statistically significantly different from zero. The difference in refund size declined to about \$350 and was not statistically significantly different from zero (or the earlier difference) when we controlled for race, age and income (see appendix B for regression results).

TABLE 2

Who Filed Taxes in 2021?

N	Yes, I filed by myself or as a married couple.		No, I didn't file, but my partner did		No, I didn't file and neither did my partner	
	LGS	Non-LGS	LGS	Non-LGS	LGS	Non-LGS
	%	%	%	%	%	%
Total	724	82	75	6	13	8
<i>Race and ethnicity</i>						
White (Non-Latine)	229	81	76	10	16	5
Black (Non-Latine)	176	83	74	5	12	8
Latine (any race)	248	82	76	4	10	12
Other	71	83	73	2	13	7
<i>Age groups</i>						
19 and under	146	68	52	11	17	21
20 to 24	267	88	84	3	11	4
25 to 29	195	89	77	3	9	2
30 and over	116	71	80	12	17	10
<i>What was your personal income in 2021?</i>						
No earnings	106	63	54	19	27	19
\$1 to \$14,999	230	87	82	5	12	8

⁵ A total of 312 survey respondents out of 742 did not include an amount for their tax refund or liability.

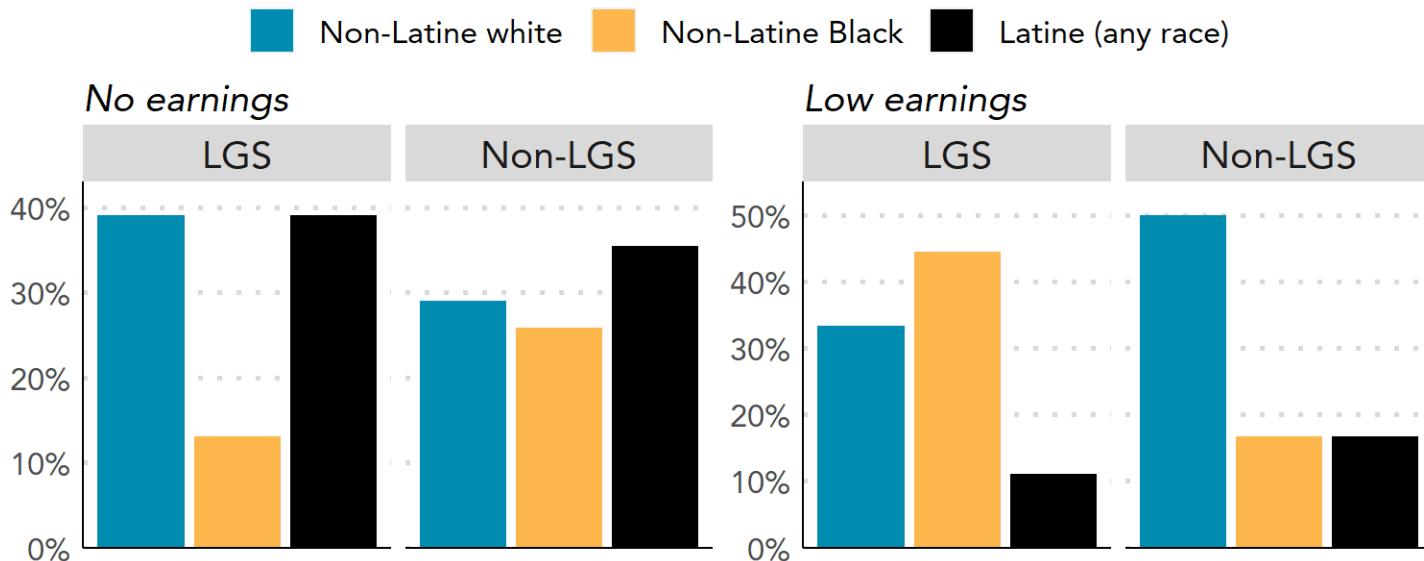
\$15,000 +	214	95	97	2	1	3	2
No response	174	66	57	6	17	9	5

Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

LGS and non-LGS participants who did not file taxes in 2021 were asked why they did not file taxes and given a series of answers they could include any or all of “I wasn’t sure that I could file because I didn’t make any money,” “I didn’t think it would be worth it to file since I only made a little bit of money,” “I am worried about filing,” “I didn’t have the help I needed to file,” “It’s stressful and I don’t want to mess with it,” and a text response option for other reasons. The main reason given was a belief that they did not earn enough money for it to be worthwhile to file (figure 1), while other reasons were also given (table 3). Because there is significant variation in why new mothers don’t file their taxes, future outreach strategies should invest in a variety of resources and information that address the full range of these concerns.

FIGURE 1

Worries about Not Earning Enough Money to File Taxes Varied between LGS and Non-LGS Respondents



Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

TABLE 3

Other Reasons for Not Filing

By race and ethnicity

			Reasons Given for Not Filing (Participants Could Choose More Than One)				
	Did not file	Provided reasons for not filing	I am worried about filing	I wasn't sure that I could file because I didn't make any money	I didn't think it would be worth it to file since I only made a little bit of money	It's stressful and I don't want to mess with it	Other
Total (N)	121	112	4	54	21	9	36
<i>LGS Participation</i>							
Used LGS	53	47	1	23	9	6	12
Did not use LGS	68	65	3	31	12	3	24
<i>Race and ethnicity</i>							
White (Non-Latine)	40	38	1	18	9	3	12
Black (Non-Latine)	28	26	1	11	6	2	11
Latine (any race)	44	40	2	20	3	3	13
Other	9	8	0	5	3	1	0
<i>Age groups</i>							
19 and under	52	48	1	24	8	2	13
20 to 24	27	26	0	12	5	3	8
25 to 29	19	18	2	8	4	3	8
30 and above	23	20	1	10	4	1	7
<i>What was your personal income in 2021?</i>							
No earnings	44	44	1	31	4	1	13
\$1 to \$14,999	35	35	1	10	10	2	12
\$15,000+	9	9	0	1	1	2	4
No response	33	24	2	12	6	4	7

Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

Note: Responses that included reasons for not filing may not sum to total numbers of respondents who did not file because respondents were asked to check if listed reason was why they did not file and could include multiple responses.

LGS assistance had a positive and statistically significant impact on participants use of free tax preparation software. Not only were LGS clients more likely to file themselves, they were also more likely to use LGS partner free tax preparation software: Get Your Refund, My Free Taxes, and Volunteer Income Tax Assistance (VITA) sites. We estimate that LGS respondents were about 7 percent more likely to use a free service. This was true overall across race and ethnicity, age, and income levels, though participation in these free filing services remained low with only 13 percent of LGS respondents and 6 percent of non-LGS respondents reporting using free software. Over 40 percent of each group used another tax-filing program or a paid preparer (table 4). We found for those who answered the question, over half of survey respondents were most likely to file in the same way they did the prior year. And when asked about the prior year's filing, about 60 percent of respondents who answered reported paying to file their taxes (figure 3). In addition, when LGS users were asked what they would have done if LGS was not available 47 percent responded they would have paid to do their taxes, while 38 percent said they would have found another free service, 9 percent said they would not have filed and six percent said other.

TABLE 4

Service or Software Used in Filing Their 2021 Taxes

N	Get Your Refund	My Free Taxes	VITA	In-person tax service	Other software	Other	No response	
	%	%	%	%	%	%	%	
Total	724	4	3	2	37	23	6	25
<i>LGS participation</i>								
Used LGS	373	6	4	2	39	21	7	21
Did not use LGS	351	3	1	2	36	25	5	29
<i>Race and ethnicity</i>								
White (Non-Latine)	229	3	2	3	47	16	6	23
Black (Non-Latine)	176	6	3	3	35	25	4	23
Latine (any race)	208	4	3	0	31	29	6	27
Other	38	7	3	3	34	16	10	27
<i>Age groups</i>								
19 and under	146	5	1	2	22	18	7	45
20 to 24	267	6	3	2	44	21	5	19
25 to 29	195	4	4	2	42	26	6	17
30 and above	116	1	3	3	33	28	7	26
<i>What was your personal income in 2021?</i>								
No earnings	106	3	1	4	29	17	5	42
\$1 to \$14,999	230	6	3	1	41	25	7	15
\$15,000+	214	4	5	1	51	28	6	4
No response	174	4	1	2	21	17	5	51

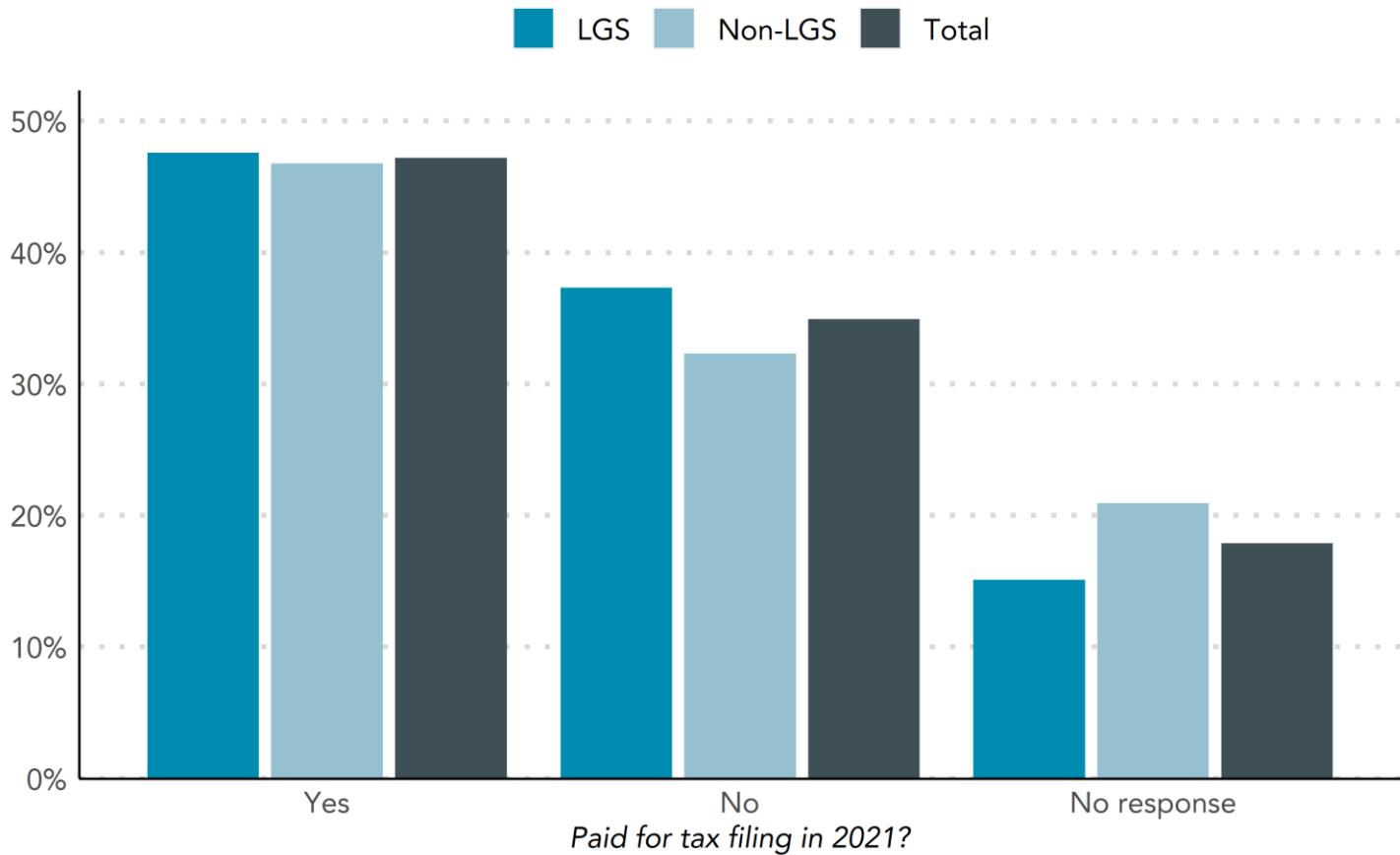
Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

Note: VITA = Volunteer Income Tax Assistance.

Many participants paid for tax filing in 2021 for their 2020 taxes with little variation between LGS and non-LGS users (figure 2). Mothers that were young (20 to 29 years old) and with lower income (\$1 to \$29,999) were most likely to pay for filing in 2021, indicating that future programs should target these sub-populations to build trust and *may need to start outreach early and highlight that there are free services available for filing taxes.*

FIGURE 2

Who Paid for Tax Filing in 2021?



Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

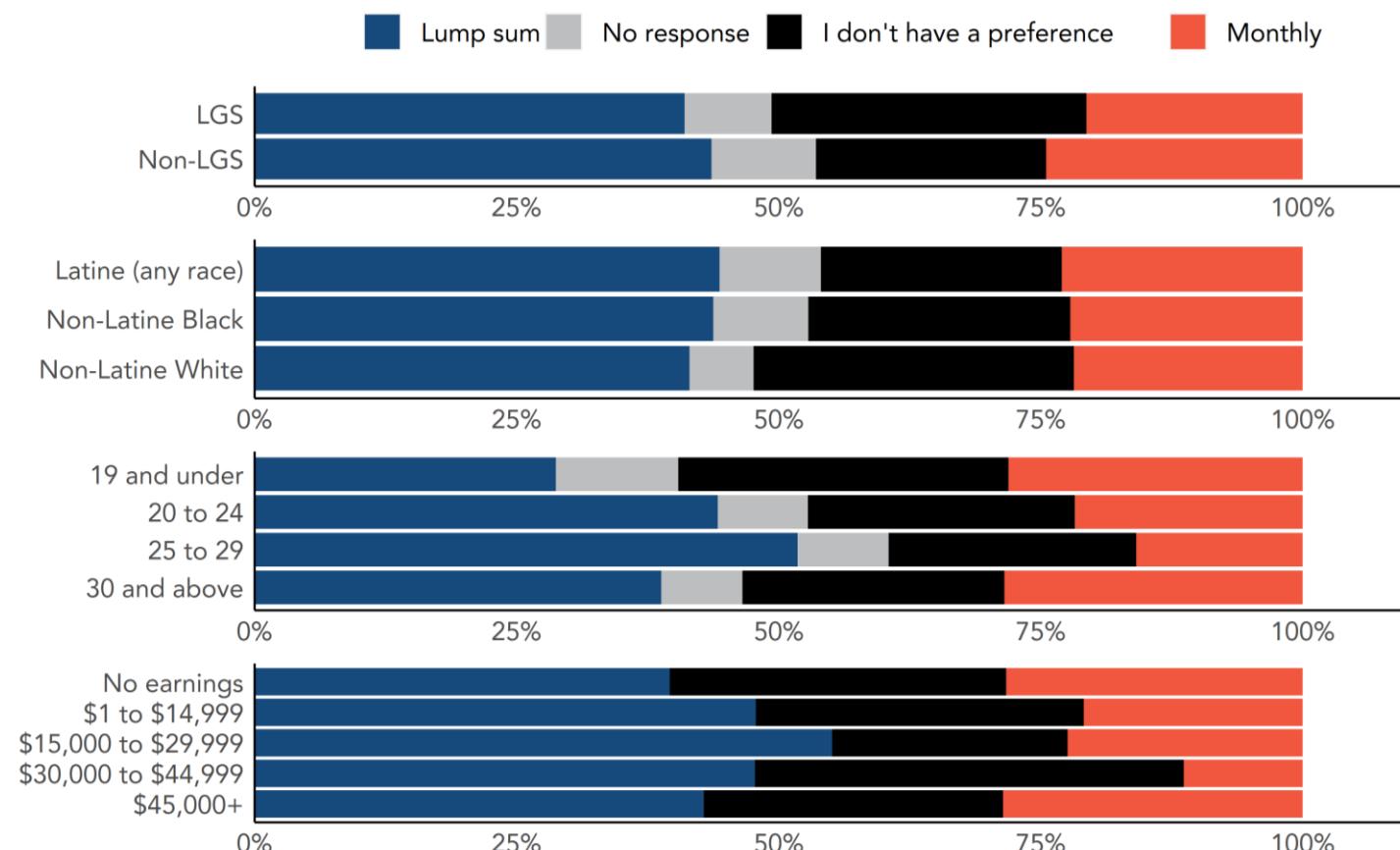
What are new mothers' preferences about how to receive the child tax credit?

NFP clients faced a unique set of challenges in accessing the CTC. As a result of being new parents, they did not typically have children to claim on their 2019 or 2020 tax returns. In addition, they were, as we saw above, on average younger, more likely to be Black non-Latine, Latine, or with lower income than national averages. This means that many of them belonged to at least one of two main groups of people most at risk of missing out on the benefit. In this section, we analyze how these intersecting characteristics influenced NFP clients' preferences in whether to receive the CTC as a lump sum versus monthly payments.

When asked how they preferred to receive their credit, new mothers showed a slight preference for receiving it in a lump sum regardless of race and ethnicity, age, or income. This was particularly true for mothers ages 20 to 24 and 25 to 29 and those with no earnings or earnings between \$1 and \$14,999 (figure 3). These results counter findings from research on adults in the US, which indicate that many parents prefer to receive the credit in monthly installments (Maag and Karpman 2022). The difference in preference from new parents could reflect the larger upfront expenses associated with having a first child or a preference for a larger amount of money at one time to possibly use for large expenses. It also might reflect the fact that this is how they received the CTC because of not being eligible for the advanced monthly payments. Those with no reported earnings or those that earned \$45,000 or more were more likely to prefer monthly payments.

FIGURE 3

How Do Mothers Prefer to Receive Their Credit?



Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

First time parents said they used their refund for a variety of expenses with no significant variations between LGS and non-LGS clients. Mothers most commonly reported using tax refunds for expenses related to caring for their baby. Non-Latine Black mothers mentioned spending it on expenses related to raising their babies the most, followed by paying bills. Finally, Latine mothers were overall most likely to use it for expenses related to raising their babies, paying debt, paying bills and large expenses (table 5).

TABLE 5

Uses of Child Tax Credit Refunds by Race/Ethnicity, Age, and Income

N	Saved or invested	Baby expenses	Paid debt	Paid bills	Large expense	School	Something fun	Other
	%	%	%	%	%	%	%	%
Total	724	24	40	26	29	23	4	6
<i>LGS participation</i>								
Used LGS	373	27	43	24	31	25	2	8
Did not use LGS	351	21	37	28	26	21	5	3
<i>Race and ethnicity</i>								
White (Non-Latine)	229	25	35	31	25	27	3	7
Black (Non-Latine)	176	24	44	16	35	20	6	8
Latine (any race)	248	21	40	25	27	22	4	2
Other	71	28	44	38	28	17	1	6
<i>Age groups</i>								
19 and under	146	18	29	10	17	16	3	6
20 to 24	267	25	44	26	32	28	5	6
25 to 29	195	25	44	37	36	25	3	6
30 and above	116	26	36	27	22	17	2	4
<i>What was your personal income in 2021?</i>								
No earnings	106	13	37	19	17	8	5	4
\$1 to \$14,999	230	28	45	23	31	27	5	6
\$15,000+	214	35	51	46	39	36	5	7
No response	174	11	21	10	20	11	1	4

Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

Note: Percentages by row may sum to more than 100 percent, as respondents could choose multiple options.

LGS and non-LGS clients identified similar uses for their refund by age. Most mothers, regardless of age, identified using their tax refund money primarily to pay for expenses related to caring for their babies. Those ages 20 to 24 used it frequently to pay bills too, as did mothers between 25 and 29 together with paying their debt (table 5).

New mothers from different income groups identified different uses for their refund money, although they all mentioned using the money for expenses related to raising their babies the most. Other variations can be related to differences in economic circumstances. For instance, those earning between \$1 and \$14,999 mentioned using it also to pay bills. Those earning \$15,000 and more were more divided in their use of the credit, including using it for savings, paying debts, paying bills and other large expenses too (table 5).

What other federal assistance did participants receive?

New parents often qualify for several safety net supports beyond the CTC, including the stimulus checks, the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Temporary Assistance for Needy Families (TANF), housing assistance, or unemployment insurance. However, other research has found that many do not receive the full extent of the assistance they qualify for because of the various obstacles they face to claim them (Hahn and Adams 2022). In this section, we analyze whether participants' demographic characteristics were connected to the types of additional federal assistance they reported receiving.

Non-Latine white mothers were overall slightly more likely to report having received other federal assistance benefits, with a few exceptions for non-LGS mothers. Non-Latine Black mothers were more likely to have received housing assistance and Supplemental Nutrition Assistance Program benefits but otherwise generally slightly less likely to receive other federal assistance than Latine mothers (table 6).

Only 44 percent of mothers who responded about government assistance reported receiving stimulus checks in 2020 or 2021, though IRS and Treasury estimates indicate that over 90 percent of eligible recipients received stimulus checks (GAO 2022). Most mothers reported having filed taxes the previous year and could potentially have received payments without needing to take extra steps to provide information to the IRS. Decreased salience of stimulus checks by the time the mothers were surveyed—over a year after the third check—could have contributed to fewer mothers mentioning these benefits. In addition, some new mothers may have been claimed as dependents by their own parents in prior years, and so stimulus checks may have gone to their parents.

TABLE 6

Reported Receipt of Government Assistance by Let's Get Set Participation, Race and Ethnicity, Age, and Income

Responses to question	2020 and 2021 stimulus checks	Non-tax benefits							
		Any non-tax benefits	WIC	SNAP	TANF	Housing assistance	UI	Other	
		%	%	%	%	%	%	%	
Total	648	44	91	82	50	4	5	18	3
<i>LGS participation</i>									
Used LGS	339	45	93	82	55	5	6	19	4
Did not use LGS	309	44	89	82	44	3	5	17	3
<i>Race and ethnicity</i>									
White (non-Latine)	210	54	93	86	50	5	7	19	3
LGS	109	50	94	83	51	6	7	23	5
Non-LGS	101	58	92	89	50	4	6	15	2
Black (non-Latine)	159	36	92	77	55	3	6	15	1
LGS	84	35	93	75	56	1	5	13	0
Non-LGS	75	37	91	80	53	5	8	17	3
Latine (any race)	221	41	89	81	44	4	2	19	3
LGS	112	44	92	84	52	6	2	17	4
Non-LGS	109	38	85	78	36	2	2	20	2

Responses to question	2020 and 2021 stimulus checks	Non-tax benefits							
		Any non-tax benefits	WIC	SNAP	TANF	Housing assistance	UI	Other	
	%	%	%	%	%	%	%	%	
Other	58	47	90	79	59	3	10	17	7
LGS	34	56	94	85	76	6	15	24	6
Non-LGS	24	33	83	71	33	0	4	8	8
<i>Age groups</i>									
19 and under	127	24	89	80	43	3	5	6	2
20 to 24	243	43	92	81	53	4	5	17	2
25 to 29	172	51	90	84	47	4	5	20	5
30 and above	106	60	92	79	58	6	8	30	4
<i>What was your personal income in 2021?</i>									
No earnings	106	34	90	84	53	8	4	15	5
\$1 to \$14,999	230	44	93	83	52	3	7	17	2
\$15,000+	214	56	90	80	42	2	4	18	4
No response	98	32	90	79	59	5	7	23	3

Source: Tax Policy Center analysis of Nurse-Family Partnership client survey.

Note: Percentages by row may sum to more than 100 percent as respondents could choose multiple options. SNAP = Supplemental Nutrition Assistance Program; TANF = Temporary Assistance for Needy Families; UI = unemployment insurance; WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

CONCLUSION

The expansion of the CTC in 2021 lifted many families out of poverty and increased food security. Almost all families with children who had filed taxes in a recent year received the CTC automatically. However, many of those most in need of assistance may have been individuals or households who had not filed taxes before because of low income and being exempt from filing. Many of these families were newly eligible for the full benefit of the CTC in 2021, even though they had been ineligible or eligible for only a limited benefit in prior years. New parents did not receive the CTC automatically, leaving them at higher risk of not receiving the payment. To receive the CTC and any other tax benefits due, they had to file a tax return.

Our findings highlight that trusted advisors like the nurses from the NFP and tax-filing assistance such as that offered by LGS, can help new mothers and other low-income populations better access tax benefits. Although our results are based on a temporarily expanded CTC offered during the COVID-19 pandemic, the collaboration between the NFP and LGS led to an increase in new mother's filing tax returns, and for those filing, families received larger refunds and were also more likely to use free tax-filing. These relationships held across groups of filers. Survey recipients were also more likely to understand the role tax filing could play in accessing benefits and that they likely would benefit from filing taxes.

APPENDIX A: NURSE-FAMILY PARTNERSHIP CLIENT SURVEY

Thank you for considering taking this survey. We are interested in learning about your experience during the past tax season and if you (or someone else in your household) filed taxes and were able to claim your child for the child tax credit. This survey should take about 10 minutes.

Your responses will be reviewed by a small group of people at Nurse-Family Partnership and Let's Get Set, a tax assistance program. The information you provide in the survey will be kept confidential, which means that your personal information will not be made publicly available.

This is entirely voluntary, so you can choose to complete the survey or not and you can stop the survey at any time by closing the browser window. Participating or not will not affect other services or activities with Nurse-Family Partnership. If you complete the survey and provide your email, we will send you a \$25 gift card.

Please complete the survey by xx.

Are you willing to take the survey?

- Yes
- No

1. How many kids do you have? [Enter number]
2. (If Q2 \geq 2) How many of those kids are under age 6? [Enter number]
3. How many people live in your household in total (including yourself)? [Enter number]
4. Who else lives in your household with you? Check all that apply.
 - My child / children
 - Father of child
 - Partner (not father of child)
 - My parent(s)
 - Other family members
 - Other roommates
 - No one - I don't have custody of my child.
5. Did your nurse tell you about Let's Get Set (a resource to support with your taxes this year)? [Yes, No] If no..... Skip ahead to question 16.
6. Did you work with Let's Get Set, use the tools on their website or text message with them? visit the Let's Get Set website or text them for help? [Yes/No] If no... Skip ahead to question 12.
7. On a scale of 0-10, how helpful was Let's Get Set? [0-10; 0- not at all helpful; 5- neither helpful nor unhelpful; 10 - very helpful]
8. Please describe your rating above. (Optional)
9. (If Q7 = not zero, so something was helpful...) How did Let's Get Set help you? Check all that apply.
 - Being able to text someone with questions
 - Talking to someone on the phone
 - Knowing how big my refund could be ahead of time

- Learning about tax credits and money I was owed
- Getting help with the forms I needed to file
- Helping me realize I should file
- Setting a savings goal for my refund money
- Something else:
- Let's Get Set did not help in any way

10. What would you have done if you had not heard about Let's Get Set?

- I would not have filed.
- I would have filed, but used a tax service or software that I had to pay for.
- I would have filed, and found another free tax service or software.
- Other: (Please specify)

11. Do you want to use Let's Get Set next year? [Yes! /No/Not Sure]

12. (If Q5 = yes, nurse told you, but Q6 = didn't use LGS) Why didn't you use Let's Get Set? Check all that apply.

- My nurse told me about it after I had already filed.
- I wasn't sure what it was.
- I didn't think it could help me.
- I didn't trust it.
- I needed support in my native language.
- I didn't want to file a tax return.
- I liked how I had filed taxes before so wanted to stick with that.
- Other: Please Describe

13. (If more than 1 checked) Which of the following was the BIGGEST reason you didn't use Let's Get Set? Check one.

- My nurse told me about it after I had already filed.
- I wasn't sure what it was.
- I didn't think it could help me.
- I didn't trust it.
- I needed support in my native language.
- I didn't want to file a tax return.
- I liked how I had filed taxes before so wanted to stick with that.
- Other: Please Describe

14. In your own words, what did you think Let's Get Set did?

15. What questions (if any) do you have about taxes or the child tax credit that you need help getting answered?

16. Did you file taxes this year (for the 2021 tax year)? If no, skip to question 20.

- Yes
- No

17. What service or software did you use to file taxes this year (for the 2021 tax year)?

- GetYourRefund
- MyFreeTaxes (using TaxSlayer)
- Free in-person volunteer IRS site (VITA)
- Other software (TurboTax, TaxAct, H+R Block, etc.)
- A Tax Prep Person
- Other:

18. How did you get your taxes done the year before?

- I have not filed before.
- I didn't file last year but have filed in the past.
- I used the same service or software I used this year.
- I used a different software, and paid for it.
- I used a different software, and it was free.
- I worked with someone in person, and paid for it.
- I worked with someone in person, and it was free.
- Other

19. (If Q16 = Yes, filed taxes) What tax filing status did you use?

- Head of Household
- Single
- Married Filing Jointly
- Married Filing Separately
- I'm not sure

20. Who claimed your baby on 2021 taxes?

- I claimed my baby on my taxes.
- My baby's other parent claimed my baby.
- My mom or dad claimed my baby.
- Another family member claimed my baby.
- No one claimed my baby. (If did not file, and answer this as e, send to Q31)
- I'm not sure.

21. (If Q16 = Yes, filed taxes) Did you get a refund or owe taxes?

- Refund
- Owed taxes
- I don't know

22. (If Q21 = Refund) How big was your federal tax refund? (An estimate is fine!)

23. (If Q21 = Owed taxes) How much did you owe? (An estimate is fine!)

24. (If Q21 = Refund) How do you plan to use the refund money? Check all that apply.

- Save or invest it
- Spend on baby expenses
- Pay down some debt (credit cards, loans, etc.)

- Pay past due bills
- Put towards a large expense (car, appliance, home repair)
- College or trade school
- Buy something fun
- I'm not sure
- Other

25. (If Q20 = My baby's other parent claimed my baby; My mom or dad claimed my baby; Another family member claimed my baby) Did the person who claimed your baby get a federal refund?

- Yes, got a refund!
- No, they owed taxes.
- I don't know.

26. (If Q25 = Yes, got a refund!) How does the person who claimed your baby plan to use their refund money? Check all that apply.

- Save or invest it
- Spend on baby expenses
- Pay down some debt (credit cards, loans, etc.)
- Pay past due bills
- Put towards a large expense (car, appliance, home repair)
- College or trade school
- Buy something fun
- I'm not sure
- Other:

27. Do you know if you received the child tax credit as part of your tax return?

- Yes, I did!
- No, I didn't because someone else claimed my child.
- No, I didn't.
- I'm not sure

28. Which of the following situations would you prefer for receiving \$3,600 from the child tax credit?

- Receive my \$3,600 child tax credit as part of my tax refund.
- Receive \$1,800 of the child tax credit during the year in \$300 monthly payments for six months, and then get the remaining \$1,800 in your tax refund.
- I don't have a preference between the options above

29. Why do you prefer the option you selected above?

30. (If Q20 = No one claimed the baby or Q16 = No, didn't file taxes) Why didn't you file your taxes? Check all that apply.

- I wasn't sure that I could file because I didn't make any money.
- I didn't think it would be worth it to file since I only made a little bit of money.
- I am worried about filing.
- I didn't have the help I needed to file.

- It's stressful and I don't want to mess with it!
- Something else:

31. Now we are going to ask a bit about other government assistance you might have received. During 2020 or 2021 did you receive any of the following government assistance? Check any of the following that apply:

- 2020 or 2021 stimulus payments
- WIC
- SNAP (food stamps)
- TANF
- Housing assistance
- Unemployment
- None of these
- I'm not sure
- Other (Please specify)

32. Which of these programs were most helpful? Why? (Based on responses in Q31, and only if more than 1 response is checked in Q31)

33. What was your personal income in 2021?

- No earnings
- \$1-\$14,999
- \$15,000-\$29,999
- \$30,000-\$44,999
- \$45,000+
- I'm not sure

34. What is your email so we can send you a \$25 gift card? Your email will not be used for any other reason.

Confirmation Screen:

Thank you for completing this survey!

Did you know that there is still time to file taxes for 2021, 2020, or even 2019 to get back \$\$\$ you are owed?

Let's Get Set can help you get back any money you are owed. You can sign up for help here:

<https://www.letsgetset.co/nfpsignup>.

If you have any questions, you can also contact nfplistens@nursefamilypartnership.org.

APPENDIX B: LINEAR REGRESSION RESULTS

TABLE B1

Relationship between Let's Get Set Participation and Tax Filing

	(1)	(2)	(3)	(4)	(5)
Variables	Filed own taxes = 1	Filed own taxes = 1	Filed own taxes = 1	Filed own taxes = 1	Filed own taxes = 1
LGS Participant = 1	0.0692** (0.0310)	0.0755** (0.0304)	0.0518* (0.0272)	0.0650 (0.0399)	0.0847* (0.0445)
Latine (any race) = 1		0.0278 (0.0361)	0.0312 (0.0323)	0.0470 (0.0454)	0.0406 (0.0507)
Black (non-Latine) = 1		0.00655 (0.0380)	0.0122 (0.0341)	0.0208 (0.0496)	0.0100 (0.0554)
Respondent age at program intake (omitted those under age 19)					
20 to 24		0.246*** (0.0416)	0.180*** (0.0378)	0.180*** (0.0379)	0.246*** (0.0417)
25 to 29		0.247*** (0.0447)	0.174*** (0.0408)	0.175*** (0.0408)	0.247*** (0.0447)
30 to 34		0.145** (0.0592)	0.0454 (0.0537)	0.0452 (0.0538)	0.145** (0.0593)
35 to 39		0.225*** (0.0744)	0.174*** (0.0670)	0.173*** (0.0671)	0.224*** (0.0745)
40+		0.261 (0.172)	0.115 (0.154)	0.115 (0.154)	0.261 (0.172)
What was your personal income in 2021? (omitted those with no income)					
\$1 to \$14,999			0.260*** (0.0433)	0.260*** (0.0434)	
\$15,000 to \$29,999			0.340*** (0.0471)	0.339*** (0.0472)	
\$30,000 to \$44,999			0.329*** (0.0669)	0.330*** (0.0672)	
\$45,000+			0.331*** (0.106)	0.329*** (0.106)	
I'm not sure			0.190*** (0.0526)	0.191*** (0.0528)	
No response			-0.240*** (0.0516)	-0.241*** (0.0519)	
LGS Participant = 1 *					
Latine (any race) = 1				-0.0317 (0.0642)	-0.0260 (0.0718)
LGS Participant = 1 *					
Black (non-Latine) = 1				-0.0162 (0.0680)	-0.00646 (0.0760)
Constant	0.731*** (0.0222)	0.533*** (0.0415)	0.430*** (0.0491)	0.424*** (0.0518)	0.529*** (0.0449)
Observations	742	742	742	742	742
R-squared	0.007	0.061	0.262	0.262	0.061

***/**/*: p < 0.01, p < 0.05, p < 0.1

TABLE B2

Relationship between Let's Get Set Participation and Tax Refund Size

Variables	(1) Net tax refund (\$)	(2) Net tax refund (\$)	(3) Net tax refund (\$)	(4) Net tax refund (\$)	(5) Net tax refund (\$)
LGS Participant = 1	488.5* (295.5)	372.0 (298.8)	273.0 (292.1)	161.8 (436.7)	293.8 (442.7)
Latine (any race) = 1		-757.6** (347.3)	-802.6** (337.9)	-722.3 (496.3)	-631.5 (509.1)
Black (non-Latine) = 1		-343.3 (372.1)	-86.03 (365.6)	-455.4 (548.0)	-701.5 (559.9)
Respondent age at program intake (omitted those under age 19)					
20 to 24		182.3 (455.6)	-107.7 (446.0)	-112.4 (448.0)	187.6 (457.2)
25 to 29		-433.4 (477.7)	-761.0 (469.2)	-756.6 (472.3)	-418.1 (480.6)
30 to 34		-447.4 (629.1)	-860.8 (619.5)	-874.1 (621.9)	-452.6 (631.1)
35 to 39		-960.2 (741.7)	-1,243* (725.1)	-1,266* (728.3)	-967.5 (743.8)
40+		-425.1 (1,578)	-1,204 (1,537)	-1,253 (1,545)	-442.8 (1,584)
What was your personal income in 2021? (omitted those with no income)					
\$1 to \$14,999			711.7 (503.5)	643.5 (508.5)	
\$15,000 to \$29,999			1,679*** (510.2)	1,642*** (511.7)	
\$30,000 to \$44,999			2,219*** (672.7)	2,152*** (677.7)	
\$45,000+			-322.2 (1,038)	-357.0 (1,039)	
I'm not sure			-673.3 (621.7)	-734.3 (626.2)	
No response			-363.1 (1,077)	-406.1 (1,079)	
LGS Participant = 1 *					
Latine (any race) = 1				-180.2 (675.6)	-257.6 (697.2)
LGS Participant = 1 *					
Black (non-Latine) = 1				668.0 (731.0)	647.0 (746.6)
Constant	5,937*** (218.4)	6,461*** (468.9)	5,893*** (630.7)	6,010*** (682.6)	6,499*** (518.1)
Observations	430	430	430	430	430
R-squared	0.006	0.027	0.107	0.110	0.030

***/**/*: p < 0.01, p < 0.05, p < 0.1

TABLE B3

Relationship between Let's Get Set Participation and Use of Free Tax Filing

Variables	(1) Used a free filing service = 1	(2) Used a free filing service = 1	(3) Used a free filing service = 1	(4) Used a free filing service = 1	(5) Used a free filing service = 1
LGS participant = 1	0.0706*** (0.0211)	0.0688*** (0.0211)	0.0666*** (0.0212)	0.0737** (0.0311)	0.0755** (0.0308)
Latine (any race) = 1		-0.0260 (0.0250)	-0.0264 (0.0252)	-0.0371 (0.0353)	-0.0370 (0.0351)
Black (non-Latine) = 1		0.0397 (0.0264)	0.0406 (0.0266)	0.0709* (0.0386)	0.0693* (0.0383)
Respondent age at program intake (omitted those under age 19)					
20 to 24		0.0205 (0.0288)	0.0166 (0.0295)	0.0168 (0.0295)	0.0209 (0.0289)
25 to 29		0.00923 (0.0309)	0.00526 (0.0318)	0.00435 (0.0318)	0.00855 (0.0309)
30 to 34		-0.0463 (0.0410)	-0.0528 (0.0419)	-0.0512 (0.0419)	-0.0446 (0.0410)
35 to 39		-0.0301 (0.0516)	-0.0324 (0.0522)	-0.0314 (0.0522)	-0.0291 (0.0516)
40+		0.275** (0.119)	0.264** (0.120)	0.267** (0.120)	0.278** (0.119)
What was your personal income in 2021? (omitted those with no income)					
\$1 to \$14,999			0.0306 (0.0337)	0.0345 (0.0338)	
\$15,000 to \$29,999			0.0233 (0.0367)	0.0267 (0.0368)	
\$30,000 to \$44,999			0.0194 (0.0521)	0.0240 (0.0523)	
\$45,000+			0.0124 (0.0825)	0.0155 (0.0826)	
I'm not sure			0.00321 (0.0410)	0.00685 (0.0411)	
No response			-0.0232 (0.0402)	-0.0182 (0.0404)	
LGS Participant = 1 *					
Latine (any race) = 1				0.0240 (0.0500)	0.0240 (0.0497)
LGS Participant = 1 *					
Black (Non-Latine) = 1				-0.0573 (0.0529)	-0.0562 (0.0526)
Constant	0.0554*** (0.0151)	0.0480* (0.0287)	0.0392 (0.0383)	0.0319 (0.0403)	0.0442 (0.0310)
Observations	742	742	742	742	742
R-squared	0.015	0.033	0.037	0.039	0.035

***/**/: p < 0.01, p < 0.05, p < 0.1

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