

Cuyahoga EITC Coalition Evaluation

Joseph Digby and Audrey Steiner

Executive Summary

The Enterprise-led Cuyahoga Earned Income Tax Credit Coalition (the Coalition) has provided free, high-quality tax preparation assistance services to Cuyahoga County since 2005. In 2014, the Coalition provided services for 12,082 clients, 3,948 of whom received the Earned Income Tax Credit (EITC). The Coalition and its 40 plus partners helped Cuyahoga County residents obtain \$14.8 million in federal refunds during the 2013 tax filing season, buffering clients against poverty and injecting funds into the local economy.

The Coalition helps families earning up to \$51,567 claim the EITC – the average family served in 2014 earned under \$25,000. This report analyzes this tax preparation program and summarizes Policy Matters Ohio’s 2014 survey of nearly 2,700 clients. We found that low-income families that rely on their EITC refunds primarily use it to pay for basic needs. Other findings include:

- The Coalition’s outreach is growing, bringing substantial resources to Cuyahoga County. In 2014, the Coalition served 12,082 clients, 3,948 of whom received the EITC. Since 2013, the Coalition’s client base has grown by 9 percent, and the number of EITC recipients has grown by 18 percent.
- Tax returns prepared by the Coalition resulted in \$14.8 million in refunds. The EITC accounted for \$5.5 million of that amount.
- The Coalition assisted 12,082 clients. Among about 33 percent had not received free tax services last year; about 10 percent had paid for tax preparation and 2 percent had never filed a return.
- Client satisfaction is high. Close to half of all clients were return customers, 96 percent were pleased with their experience, and 92 percent said they would return.
- Respondents who received free tax preparation services from the Coalition received on average \$1,359 for their federal EITC credit, \$1,239 of which was received in refunds.
- Every dollar the Coalition spends brings \$30 in state and federal refunds to the county.

This report found that the Coalition assists low-income taxpayers, brings federal money back into the economy, relieves poverty, and consistently achieves a high rate of customer satisfaction. The main goals for Cuyahoga County are to improve outreach and to change the state EITC to better address the needs of its lower-income workers.