

Request for Proposals Increasing Family Affordability through Tax Credits

Proposals are due no later than August 30, 2024 5:00 p.m. Mountain Time

Background:

Gary Community Ventures is dedicated to enhancing family economic mobility through increased income, lowered expenses, and wealth building pathways for Colorado families. The recent passage of the [Colorado Family Affordability Tax Credit](#) creates an opportunity, particularly when combined with existing state and federal tax credits, to financially strengthen low and middle income households with children, help families afford basic costs of living, improve child outcomes, address debt, begin saving, and over time, invest in assets that grow wealth.

Starting in Spring 2025, hundreds of thousands of Colorado families with children will be eligible to receive sizable tax returns, with annual totals for many households estimated between \$5,000-\$20,000 when combined with other available tax credits, such as EITC, state and federal CTC, and the Family Affordability Tax Credit, depending on income and number of children. Available during years when state revenue meets defined growth targets, the Family Affordability Tax Credit is designed to deliver flexible income for families that does not compromise eligibility for other public benefit programs such as Medicaid and SNAP. In this way, families have choice over how they use their tax credit dollars to meet their own needs, without fear of losing access to essential benefits such as healthcare and housing.

Recognizing Colorado's comparatively low tax-credit utilization rate, Gary Community Ventures is seeking proposals from organizations well-positioned to support Colorado families with successful tax filing, and also, offer resources (such as financial coaching, debt reduction, child development supports, savings options, and wealth-building pathways, etc.) that enable families to optimize tax return dollars for their individual near and longer-term goals. Gary is especially interested in organizations that can reach eligible families who have not historically filed taxes to support broad uptake of the Family Affordability Tax Credit.

Goal & Objectives

The overarching goal of this request for proposals is to maximize utilization of the Family Affordability Tax Credit alongside other state and federal family tax credits. Tax credit participation rates will be the primary metric of success, with additional emphasis on:

- 1) Reaching BIPOC communities and eligible non-filers;
- 2) Supporting families with subsequent financial resources and education to optimize their tax credits toward individualized goals over 2 tax cycles (i.e.–coaching, credit repair, child development opportunities, debt reduction, savings, wealth management, etc.)
- 3) Driving creativity and innovation among funded partners to build on existing services and test new outreach ideas;
- 4) Gathering insights on how families plan for and use their tax credits; and

- 5) Capturing high-level data to inform ongoing improvement in utilization of tax credits and financial support services to families

Grant Award

To catalyze family tax credit uptake and utilization over two successive tax cycles (Spring 2025 & 2026) we anticipate awarding 6-8 organizations 1-time grants ranging from \$40,000-\$80,000, starting in November 2024. Our hope is that this timing allows organizations and associations to plan for and engage in targeted awareness, outreach, and tax filing support for the 2025 tax cycle, followed by financial coaching and services and data capture post April 2025 to inform improvements in outreach and services for the 2026 tax cycle. The grant is intended to support costs associated with planning and execution, as well as data capture and reporting.

Known Barriers

Colorado has among the lowest family tax credit participation rates in the country. Learning from efforts to increase tax credit participation in other states, as well as Colorado-specific research and partner grantmaking, successful efforts to expand participation should plan to address the following barriers:

1. Trust / Awareness: Maximizing tax credit outreach & participation is best done through organizations that carry community credibility and direct relationships with families.
2. Lack of Onsite Expertise: Organizations that have trained staff onsite are more successful than those who send families 'elsewhere' for additional support. Streamlined, '1-stop' process design improves successful filing rates.
3. Language: Supports and materials should be available in multiple languages that are appropriate to the community.
4. Digital literacy & Internet Access: This is essential to enabling online tax filing, as paper filing is less reliable and less accurate.
5. Immigration Status & Paperwork: Organizations should specifically prepare to support (or facilitate support) for families based on immigration / naturalization status. A plan to address W7 / ITIN documentation is critical in many communities.

Eligible Applicants & Selection Criteria

We are seeking proposals from organizations that meet the selection criteria below and who are able to articulate a clear plan with measurable milestones. Applicants may include non-profit organizations, for-profit organizations, chambers, associations, and/or state or local government agencies serving families across Colorado. The cohort of selected grantees, as possible, will mirror Colorado's current tax filer ecosystem, where 50% of tax credit eligible families file on their own, 45% use paid tax filing services, and 5% file through Volunteer Income Tax Assistant sites. Preference will be given to those with potential to reach a significant number of eligible families, demonstrated success in tax filing for low-income and BIPOC families, and those able to show experience offering financial planning and educational support.

Specifically, we seek proposals from entities with expertise and ability to:

1. Serve as a trusted, credible source of information and support for tax credit-eligible families in Colorado

2. Innovate on current practice to increase the number of Colorado families aware of and pursuing state and federal family-focused tax credits, especially BIPOC families and those facing barriers to participation
3. Identify, reach, and support non-filers (eligible families that have not filed taxes or received family tax credits in the last year)
4. Assist eligible families in tax filing, whether directly or via facilitated activities and events which maximize the number of successful tax filings
5. Support a meaningful cohort of families receiving tax credits with subsequent financial education and resources to address individualized near- and longer-term financial and child development goals
6. Capture (de-identified) data and insights re:
 - a. Number of tax filings submitted
 - b. Number / % successfully receiving family tax credits
 - c. Tax credit amounts (range, total, average)
 - d. Primary barriers to filing taxes and receiving tax credit returns
 - e. Family preferences & priorities re: budgeting and wealth-building
 - f. Organizational insights / lessons learned

Note: We welcome partners and solutions from outside the state, however we are unable to consider proposals that do not serve Coloradans. Further, we do not accept proposals for capital expenditures.

Services/Support from Gary to Grant Recipients

Gary Community Ventures will provide the following services and support to grantees:

- 1-time grant between \$40,000-\$80,000 based on organizational size and scale of proposed work
- Possible tax training support, ITIN information sessions, and shared learning opportunities as requested by grantees
- Support with storytelling, as applicable
- Connections, as applicable, to Gary's partners in the field

RFP Application & Timeline

To complete the online application and or obtain a copy of the application questions to share with your team, [see it here](#) or view the Application Process section of the RFP landing page.

Applications are due at 5pm MT on August 30, 2024. Applicants may be asked for additional information during the review process, which could include interviews and/or site visits. All applicants will be notified of final decisions by 5:00 pm MT on October 18.

Questions

For questions regarding this RFP, please contact Julie Stone, Director of Family Economic Mobility at jstone@garycommunity.org.

Informational Webinar & Ongoing Office Hours

- There will be an optional information webinar where you can learn more about the RFP and ask questions on July 30, 2024 at 2PM MT. The Zoom link is:
<https://us06web.zoom.us/j/81785459226>
- Office hours are an optional opportunity to seek assistance and ask questions about the RFP. It will be held on August 12 at 2 PM MT. The Zoom link is:
<https://us06web.zoom.us/j/84035723177>