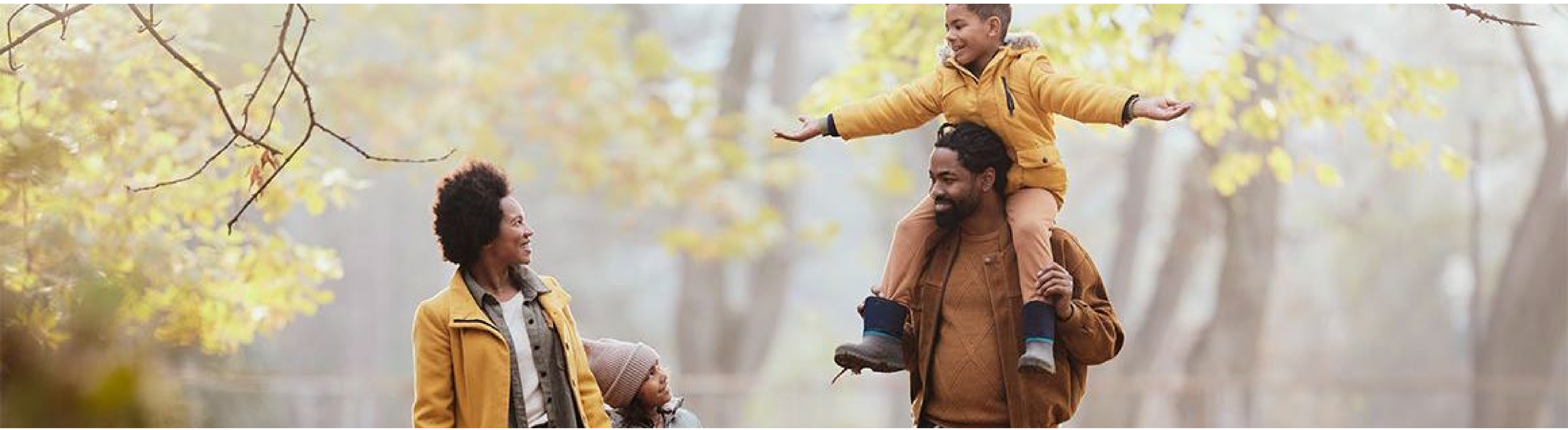

Improving Access to State Tax Credits through Research to Action

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Research

Project

19 Stakeholder Interviews

with Maryland government and non-profit leaders

Tax Data Analysis 2021-2023

with de-identified and aggregated state tax and demographic data

6 Focus Groups in 6 Counties

with 52 underserved residents, in collaboration with local community partners

Takeaways

Phase 1: Stakeholder Interviews	Increasing tax credit uptake will require pairing awareness campaigns with free and easily accessible tax filing services
	Building trust with communities, especially those historically underserved, will require year-round communications and partnerships with local organizations
	A variety of physical and online materials, including those tailored for specific audiences
	Improving tax preparation and filing services, with an emphasis on training volunteers and tax professionals on both interpersonal skills and technical knowledge

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Phase 2: Quantitative Data Analysis	Nearly 100,000 Maryland households that filed a tax return and appeared eligible for the state-level EITC in tax year 2023 did not claim the credit. That amounts to 18 percent of the estimated 550,000 eligible Maryland taxpayers.
	Most of those missing out in six counties: Baltimore City, Baltimore County, Howard County, Kent County, Montgomery County, and Prince George’s County.
	Underserved populations that may be disproportionately miss out: nontraditional caregivers (such as grandparents, aunts or uncles), young adults, parents with young children, families living in rural areas, noncitizens (including mixed-status immigrant families), Black households, Latine households, and Asian American and Pacific Islander households.

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Phase 3: Focus Groups

- Participants generally know about the federal-level EITC and CTC, but not the state-level tax credits
- Easy-to-access and nearby free tax filing services, quality interactions with tax preparers, and more transparency during and after the tax filing process between preparers and clients
- Trust building through direct and official government communications as well as strong partnerships with local nonprofit organizations
- Increasing information outreach through word-of-mouth, community and neighborhood events, local news, radio, social media, physical resources (in the mail, libraries, or community centers), and other gov. agencies

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Research findings are informing the Comptroller of Maryland’s evidence-based outreach programs in FY 2026

Strategies

1. Build trust with communities through partnerships with diverse local nonprofits and trusted messengers across the state.

In Practice

Connecting with organizations that serve underserved populations, by region and demographics, and build ongoing partnerships with them

Train trusted messengers to disseminate resources

Ensure tax resources and tax filing services cater to diverse cultural and linguistic needs of underserved populations

In Practice

2. Disseminate information and resources through a variety of settings and media.

Co-design, vet, or user-test dissemination materials and strategies directly with local community organizations and leaders

Advertise about tax filing resources and tax benefits on local news channels, radio stations, billboards, and at public events

Advertise about tax filing resources and increase word-of-mouth dissemination using local champions of tax benefits

3. Routinely incorporate information on tax filing services into outreach campaigns and bolster tax preparation options.

In Practice

Increase the number of free tax preparation service providers and boost partnerships with existing tax preparers

Routinely review and update tax outreach materials and keep tax partners informed on changes to materials

Invest in tax preparer trainings that center relational and technical skills

In Practice

4. Foster further cross-agency collaboration.

Share tax filing and tax benefits information with residents that access other basic needs programs or standard government services

Offer one-stop shop services or free tax clinics in the offices of other government agencies

In Practice

5. Empower residents through education programs on tax filing and tax credits.

Create educational materials that can be distributed to tax filers at tax preparation sites to enhance their understanding of taxes

Host tax education workshops with trusted messengers and tailored to specific populations

Partner with K-12 public school systems to develop short tax courses, empowering students to become "tax educators" within their households

In Practice

6. Prevent and correct tax frauds.

Reduce administrative burdens and costs for those who may have been victims of tax fraud with state resources

Provide guidance on how taxpayers ought to pick and vet their tax preparers, including whitelists of vetted free and paid tax preparers

In Practice

7. Create and integrate evaluation metrics.

Involve diverse community voices in both the development and evaluation of outreach and awareness campaigns

Make evaluation data and findings publicly and easily accessible

Create a “scorecard” to annually track the evolution of the numbers and shares of eligible taxpayers claiming the CTC and EITC by region and demographics

What’s next

More to learn about

- Reaching non-filers
- Availability of free tax filing options (online and in-person)

Shifting contexts

- 2025 federal changes, and spillover effects for states and localities

Putting to practice in Maryland and other regions

- Evaluations
- Community-informed outreach
- Cross-agency collaboration
- Tax education for children and adults
- Storytelling about tax benefits’ well-being impacts

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New America
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Bipartisan Policy Center
Maryland General Assembly
The Office of Governor Wes Moore — Governor's Office for Children
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