



Claim Your Cash LA

Year One Analysis

February 2025



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Introduction

This report evaluates the first year of the Claim Your Cash Los Angeles (CYCLA) pilot for tax year 2023, a program developed to increase the take-up of valuable tax credits among low-income residents of Los Angeles (LA) County by leveraging existing connections with frontline benefits workers. Our findings reveal that in its first year, CYCLA yielded both significant successes and helpful lessons for year two and beyond, including:

- *CYCLA successfully drove new users to free tax preparation at partner VITA sites.*
- *Some agency partners were successful at creating new filers and converting filers from paid products to free filing at partner VITA sites, while others were more likely to drive tax filers who may have already been likely to use VITA without the intervention.*
- *Expanding co-located VITA sites during the 2024 tax year (filing season 2025) will increase the impact.*
- *The data collected here are almost certainly underestimated in terms of the true impact of CYCLA; more robust data collection in future years at key parts of the intervention will improve visibility into the most successful parts of the pilot.*

Developing the Pilot

Research in California has shown that a large number of low-income households, particularly Black, Latinx, and Indigenous communities, miss out on critical state and federal tax credits and stimulus payments. Many of these families already receive government benefits such as food assistance and regularly interact with County agencies. However, they are not receiving the full range

of benefits for which they are eligible. As a result, Los Angeles households miss out on over \$500 million in tax credits each year.¹ State and federal tax credits can mean thousands of dollars for an individual household.

¹

<https://www.csd.ca.gov/Shared%20Documents/2018-Update-Left-on-the-Table-Final-Report.pdf>

To address this, in 2022 the LA County Board of Supervisors made increasing tax credit take-up one of its top five priorities of its Poverty Alleviation Initiative (PAI), a comprehensive, stakeholder-driven plan aimed at addressing poverty and boosting economic mobility. The PAI is a project run by the LA County Chief Executive Officer's department, and Economic Security California (ESCA) was named as a community partner along with Koreatown Youth & Community Center (KYCC) to assist with accomplishing this ambitious priority.

Collaborating closely with the CEO's office, other County agencies, and community partners, we developed the CYCLA pilot to connect thousands of eligible low-income families to critical tax credits. The idea behind the pilot is simple: when a person interacts with a County agency, seeking services or benefits, the County agency staffer asks the person about filing taxes, and then facilitates a connection to a community-based organization that is already set up to provide free tax preparation services through the Volunteer Income Tax Assistance (VITA) program. We call this intervention the "warm handoff" and it is designed to leverage trusted relationships and positive interactions to help overcome the logistical and other barriers that often get in the way of people filing taxes and claiming valuable credits.

To prepare for the first year of the pilot (tax year 2023, returns which are filed during the 2024 tax season) ESCA, KYCC, the Board of

Supervisors and CEO's office, other County departments, and community partners engaged in extensive coordination. The collaboration expanded the number of VITA sites operating in the County, established a dedicated hotline and website, and aligned materials, training and messaging across multiple agencies and community organizations. The coordination alone generated a bump in tax filing, so much so that this project was recognized for its work by the LA County Quality & Productivity Commission in October 2023, winning at the County of Los Angeles 36th Annual Productivity and Quality Awards program for both the Outstanding Teamwork Award and the Bronze Eagle Award. It also won a 2024 Achievement Award from the National Association of Counties.

This report presents a summary of findings from a preliminary formative evaluation. It is based on an analysis of staff feedback and a review of datasets provided by various CYCLA pilot partners. While some partners shared datasets, not all were complete or easily interpretable. Topics covered in this evaluation include: County partner outreach, hotline and website usage, VITA service usage, and actual and relative increases in tax filing and credits claimed.

The following report is based on the research and evaluation conducted by Diana Jensen. We are grateful for the thoughtful partnership on this project.

Exploring 2024 Data | Preliminary Findings

County Partner Outreach Scale and Impact

Filing taxes can be burdensome and confusing, especially for low-income families, immigrants, and those for whom English is a second language. When operated effectively, the CYCLA program connects people with no-cost tax filing and helps alleviate the "time tax," a significant burden that low-income households face when navigating government systems. This collaboration bridges a critical gap by connecting social services recipients with unclaimed tax credits such as the federal EITC and CTC, and important state credits like the Former Foster Youth Tax Credit (FYTC), CalEITC, and Young Child Tax Credit (YCTC). With frontline workers from County departments acting as trusted messengers, the program increases government trust and ensures that the needs of the most vulnerable communities are met.

How the "warm handoff" works:

1. During an already established appointment or interaction with a government agency, such as the Department of Child and Family Services (DCFS) or a home visit with the Department of Public Health (DPH), staff will engage with the client about tax filing, and ask if the person claimed the CalEITC, YCTC or FYTC.
2. If not, the County staff member will initiate a phone call at that moment and directly connect the client to a trusted

community organization that can provide free tax prep services via our Claim Your Cash Call Center. Staff will also guide the client to the information they need to get ready before their appointment.

3. Once the connection is made, the VITA partner will take over, scheduling an appointment to ensure the client can file their taxes and claim valuable credits. VITA staff will send reminders, review the necessary paperwork, and assist in obtaining any missing documents. VITA partners guide the client through every step of the process: from the initial appointment call to receiving the refund, including help with accessing banking services if needed. Some of our partner organizations, alongside VITA, also provide additional wraparound services that might be of interest to the filer.

To facilitate the warm handoff, ESCA partnered with KYCC to train staff at the Department of Economic Opportunity (DEO) including some American Job Center of California (AJCC) sites, Department of Public Health Home Visits Program (DPH-HV), Aging and Disability, and Department of Public Social Services (DPSS). Staff connected people to VITA services through the hotline, website, or directly to the partner VITA sites. Most departments also did additional marketing in the form of emails, text messages, social media posts, and distribution of physical assets like flyers or postcards.

Finding 1: CYCLA County partners drove 1,370 filers to VITA partner sites, 886 of whom were new to VITA free tax preparation

With guidance and leadership from KYCC, our pilot successfully expanded VITA services at six additional sites: The Community College Foundation, Coalition for Responsible Community Development, and four other KYCC partner sites. This expansion increased capacity at existing sites through additional funding to accommodate higher traffic, hosted VITA pop-up clinics within County departments, added new temporary locations for the duration of tax season, and supported community-based organizations that were eager to offer VITA services but lacked the financial resources to do so.

Ultimately, these sites served 1,048 clients who reported hearing about the VITA service from the five County departments that partnered with the pilot. Removing those who said they filed with “VITA or free file” last year, the number is reduced to 707². Some VITA partner site clients said they heard about the service from “other LA County departments” or from a “consumer counselor,” which is likely a County social worker (i.e., from a CYCLA partner agency). When we include those clients, the total number of VITA expansion site clients from County agencies increases to 1,372, and the number of users new to VITA is 886. These

² This figure includes people who did file in the prior year, but did so independently or with help from family or friends, as well as those who didn’t file in the prior year or who didn’t provide an answer to this question.

figures are a low-end estimate, as some of these VITA sites excluded City of Los Angeles filers from their datasets, many of which surely received referrals to VITA services via County agencies.

Finding 2: CYCLA County partners account for at least 13% of growth in Los Angeles County VITA filers in 2024

As Table 3 shows, the number of filers at all LA County VITA sites increased by approximately 5,615 (11%) during the 2024 filing season compared to 2023 (from 53,001 to 57,388). Comparing this to the number of people who indicated that they were “new to VITA” from the VITA CYCLA partner sites, the yield from County partner referrals and marketing outreach work at these specific VITA sites accounts for anywhere from 13% to 17% of the year over year growth in VITA filers in LA County. Of course, County partners surely also sent people to other VITA sites in the Los Angeles network. Since that data is unavailable to us, 13% is a lower-bound estimate.

Table 2 (see Appendix) offers a detailed view of the overall caseload for each of the County program partners, target populations, level of engagement with CYCLA activities, and marketing efforts. While it is impossible to know how many of those people ended up at other VITA sites, the table includes any available data about the number that went to the six VITA CYCLA partner sites.

Finding 3: The Department of Public Social Services (DPSS) drove the most traffic to the CYCLA hotline and to CYCLA VITA partners, including many households that had not filed taxes or who had used a paid preparer in the prior year

- DPSS provided the greatest number of referrals to the expansion VITA sites (657 households, 36% of all households at those sites). See Table 1 in the Appendix.
- Forty-three percent (43%) of those DPSS households had either used a paid preparer in the prior year or not filed at all (out of 280, 230 used a paid preparer, 52 had not filed).
- DPSS-referred households made up nearly half (46%) of all hotline calls.³

Most of DPSS’s referrals resulted from email and text outreach prompted by the CYCLA pilot. In 2024, DPSS staff primarily focused on training to become VITA volunteers, which limited their involvement in the warm handoff component of the pilot. They did, however, conduct significant text and outreach campaigns, on their own and in partnership with the California Department of Social Services (CDSS). Seventy percent (70%) of DPSS referred callers cited an email (40%) or text message (31%) from DPSS as the way they heard about the service.

³ In fact, DPSS referrals likely made up even more than half of hotline callers: they accounted for 8 out of 10 calls that shared where they’d heard about the hotline, but many callers declined to share.

Finding 4: The Department of Economic Opportunity (DEO) played a key role in scaling the program, having the second-largest impact.

DEO’s AJCC sites conducted warm handoffs at three of their fifteen sites. All AJCC sites posted fliers and distributed postcards to clients and some made announcements to groups of clients about the services. Collectively, the sites sent nearly 4,000 emails throughout the January to April 15 tax season.

While few hotline callers identified DEO sites as their referral source, CYCLA VITA partners engaged with 144 households referred by job centers. Of those going to CYCLA VITA expansion sites, few were new filers, but a plurality had used a paid preparer the previous year. In the prior year:

- 46 used a paid preparer;
- 42 worked with VITA;
- 5 did not file;
- 15 prepared their own; and,
- 11 had help from a friend or family member.

Finding 5: Aging and Disability Services (A&D) conducted effective warm handoff outreach to a small target population of utility assistance clients.

Given the limited timeframe after training and with only 13 business days until April 15th, A&D staff were able to facilitate an estimated 317 warm handoffs, representing one-third of

their targeted population of utility assistance clients, and averaging 25 handoffs per day.

Based on the fact that 126 CYCLA VITA partner clients cited hearing about CYCLA from a senior and community center, it appears that many A&D referrals resulted in a connection to CYCLA even though only five hotline callers indicated that their referral was from an A&D program. Hosting on-site VITA services was probably a strong motivator for outreach work, and may mean that the number of A&D clients that appear in CYCLA VITA partner sites' data is quite a bit lower than the number that actually received VITA support.

A&D outreach reached a higher share of filers who already had access to free filing than outreach from other agencies: only 17% said that they either hadn't filed or had used a paid preparer in the prior year, while 52% had previously used VITA or another free preparer.

CYCLA Hotline

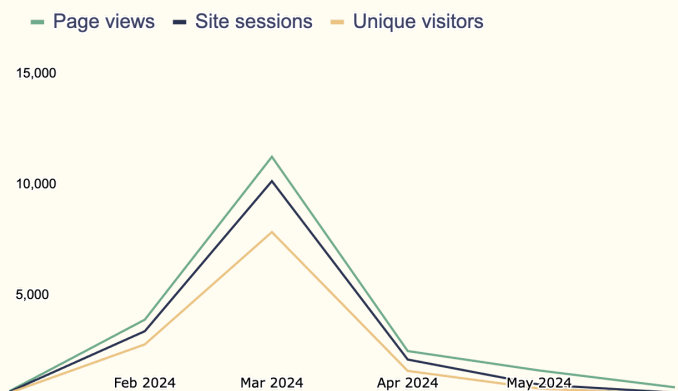
Table 4 (see Appendix) details the CYCLA hotline activity and sources. Email and text outreach was the biggest driver of phone traffic on the dedicated CYCLA hotline: 46% of all calls and 80% of calls that shared where they heard about the hotline. The chart shown alongside Table 4 shows hotline calls by date, dates of emails and texts sent to DPSS clients via CDSS are shown **green** and **gold**, respectively. These messages seem to have generated surges, with diminishing returns over time.

The only other significant source that hotline callers specifically identified was TV via local news coverage (8% of all calls and 14% of those that shared how they learned about the service).

ClaimYourCashLA.com

CYCLA also processed referrals through the new ClaimYourCashLA.com website. The site saw a total of 18,297 page views from 11,680 unique visitors between January and June 2024. The site included the hotline number as well as information about how to book appointments at 24 VITA sites throughout the County. It is difficult to know how much engagement with this type of online scheduling increased without having comparable data about the other primary avenue for that in 2023 and 2024: the Free TaxPrep LA (FTPLA) website. It's possible that this website was additive, or that it diverted people who used the other online scheduling option in the prior year.

ClaimYourCashLA.com Traffic



Year 2 Growth and Opportunity

The partnership proved to be incredibly productive, and having the CEO's office on board was critical. KYCC's existing network also played a huge role in the collaboration's success. Like any pilot, we encountered a few challenges that will help us improve in the coming years. The primary obstacles were related to communication across numerous entities, including the combination of community organizations and various County agencies, and the sharing and collection of data and information. We found flexibility and developing consistent and reliable feedback loops incredibly valuable as we strengthen the program.

Sustaining Momentum: Expanding Co-Located VITA Services Across County Locations

One of ESCA's early and enduring ideas for the CYCLA pilot was to co-locate VITA sites at existing County department offices, allowing non-filers to file their taxes and claim their credits while already accessing other services. By removing the logistical barriers of travel and time between visiting an office and being referred elsewhere, ESCA believes more individuals would successfully complete the tax filing process. It was akin to a "helpful upsell."

One of the most exciting successes of the pilot year was the overwhelming enthusiasm generated by the short-term VITA clinics, known as "pop-ups". This enthusiasm has created momentum to bring free tax prep to

hard-to-reach communities, including those traditionally considered VITA deserts. For Tax Year 2024, DPSS has confirmed that they will host VITA services on-site for the 2025 tax filing season at two office locations in Compton and El Monte. Additionally, our DEO partners have expanded their reach and will now offer VITA services at three AJCC sites in Lancaster, Palmdale, and South Gate, areas that have long been underserved by VITA. We are also continuing to collaborate with other County departments to increase on-site tax prep services and build additional capacity at already confirmed co-located sites, anticipating a rise in demand. This level of buy-in from County partners suggests that there is strong potential to export this intervention statewide and even outside of California.

From the beginning, ESCA understood that laying the foundation for strong initial collaboration was critical and that CYCLA's success would depend on the ability of County agencies to generate their momentum once the project was set in motion. We were thrilled to see that this happened successfully, and it has generated outside attention. The CYCLA pilot won three awards, the coveted Bronze Eagle Award, Outstanding Teamwork Award from the LA County Commission on Quality and Productivity, and a 2024 Achievement Award from the National Association of Counties.

Improving Data Collection: Lessons Learned and the Path Forward

The most significant challenge our collaboration faced in the program's first year was the complexity of data collection. Issues ranged from access to data and varying definitions of data sets to difficulties in data pooling. Additionally, there was a misalignment in data available for research purposes by both state and federal tax agencies. As a result, we are placing a strong emphasis on improving data collection processes in year two.

We plan to partner with a small set of community-based organizations (CBOs) as evaluation partners, which will help us model and extrapolate data more effectively. Working closely with our evaluation team, we'll develop Data Collection Guidelines and a comprehensive training protocol to ensure our CBO partners are aligned on exactly what data we need and the best practices for gathering it.

The addition of new co-located sites will also allow us to assess whether the tax filing uptake rate improves when individuals can file immediately after interacting with a case worker, as opposed to making an appointment and traveling to a separate location at a later time.

Integrating Direct File and VITA to Maximize Tax Credit Access

One of ESCA's key takeaways from year one of CYCLA is the potential for integration with IRS Direct File, which allows individuals with simple tax situations to file online directly with the IRS for free. While Direct File is still in its early stages and does not yet apply to all tax scenarios, more than 33,000 Californians used it in 2024, and the positive feedback regarding its ease of use and efficiency was encouraging. We anticipate even greater uptake in 2025, despite California's state tax filing tool, CalFile, not being fully integrated with the IRS Direct File system. ESCA played a critical role in advocating for the integration of the two platforms, and we're excited that the Franchise Tax Board (FTB) has committed to fully integrating both systems by 2026, paving the way for a seamless and free filing experience for federal and state taxes. Direct File has the potential to save low-income families and transition-age foster youth millions of dollars in tax preparation fees. ESCA sees great promise in combining Direct File with VITA services to reach and serve the largest number of low-income families while ensuring they maximize their tax credits. To that end, we're in discussions with our CBO partners about the possibility of having VITA volunteers assist with Direct File through Facilitated Self-Assistance (FSA). In this model, VITA volunteers would guide taxpayers through the filing process, answering questions and offering support while the taxpayer files independently using

the Direct File tool. We're hopeful this approach will expand the capacity of VITA sites and volunteers. If successful, it could free up appointments for more complex tax situations, further amplifying CYCLA's impact in year two.

Making Tax Filing Easy: Our Commitment to Equitable Tax Credit Delivery

We firmly believe that CYCLA is a critical step toward a more equitable tax system, where the responsibility for ensuring access and accuracy rests with the government, not the individual. ESCA's goal for the pilot is to produce significant, replicable results both in terms of new filers receiving tax credits and the valuable data and insights generated. Ultimately, we aim for this model to become the standard operating procedure for LA County government and potentially serve as a model for broader application.

This initiative is part of a larger effort to make tax credit delivery automatic, both in California and nationwide, much like the federal monthly Child Tax Credit payments that were sent directly to families in the second half of 2021. The goal is for these vital income supports to seamlessly reach the households that need them most. In simple terms, we want to make tax filing easier so families can focus on how to use their refunds, not on navigating the complexities of the tax system.

Appendices

Table 1 | Referral Sources for VITA CYCLA Partner Sites

	How did you hear about us?	CRCD	TCCF	Other KYCC CYCLA Sites (4)	Grand Total
CYCLA County Partners	DPSS Eligibility Worker			657	657
	A Department of Social Service		36		36
	A job center	21	3	120	144
	Community and Senior Center	2	1	123	126
	A DCFS Social Worker, an ILP Coordinator, a Transitional Development Specialist	12	62	11	85
Likely CYCLA County Partners	Or other LA County government department	5		274	279
	A consumer counselor	5		40	45
Other Source (some of these could be from CYCLA efforts but it is difficult to be sure)	Family or friend	52	25	69	146
	Another nonprofit	14	43	12	69
	I am a client here			64	64
	I prepared my taxes here last year	2	34		36
	Advertisement (billboard, metro, bus bench)	2	4	26	32
	I heard about it in a workshop			25	25
	Community event (tabling, training, Zoom)	12	5		17
	The IRS		5	3	8
	Social Media			2	2
	From another organization			2	2
No Information	<blank>	30	4		34
	Decline to State			9	9
	I do not know			1	1
	Grand Total	157	222	1438	1817

Table 2 | Your Cash County Partners

Department	Overall Caseload	Targeted Caseload (any method)	Marketing & Clinics (all estimates)	Share and number of targeted caseload receiving warm handoff outreach	Hotline Calls 1,570 total calls	VITA Expansion Site Filers				
						Total	New Filers (max)	Paid Preparer Last Year	VITA Last Year	Federal Tax Credits (All Filers)
Department of Public Social Services, CalFresh & CalWorks <i>CDSS sent these texts/emails to this population</i>	>1,000,000	>1,000,000	In-office flyers and postcards 280,000 Emails 640,000 Texts	Unknown. All staff received training, but the primary focus of the department was on training all caseworkers as VITA volunteers.	287 from DPSS/CDSS emails 228 from DPSS/CDSS texts 211 from other/unknown DPSS channels Max warm handoffs (if all unknown sources were warm handoffs from DPSS) = 1,034	693	110	230	231	\$953,044 + 248 Form 8880s + 37 Form 2441
Dept of Economic Opportunity, American Job Centers of CA	~8,000	900	In-office flyers and postcards, social media 100 emails 3,800 Texts Hosted new VITA clinics at 3 sites	1,000 max Only 3/17 sites did the training, it's unclear how consistently warm handoffs happened	2 - 5	144	30	46	42	\$185,075 + 43 Form 8880s + 3 Form 2441
Aging & Disability	>22,000	1,000	In-office flyers and postcards, social media Hosted one new VITA clinics	100% but only for a short period of time: 317	5 - 10	126	20	7	65	\$89,619 + 54 Form 8880s + 5 Form

										2441
DCFS Transitional Age Youth	NA	NA	Nothing formal.	Data unavailable, received training.	0	85 - 119 ⁴	unk	unk	?	\$57,013 - \$83,517 + 27-30 Form 8880s + 23-26 Form 2441
Dept of Public Health, Home Visiting	NA	NA	Nothing formal.	Data unavailable, received training.	None identified specifically	0	0	0	0	

Note: Referrals from “other County departments” or “consumer counselor” are not included here.

⁴ 119 includes any TCCF or CRCD clients that didn’t have a referral source. Since DCFS staff primarily directed clients to those sites, it’s *possible* that the majority of those filers were DCFS clients who didn’t provide info about who referred them.

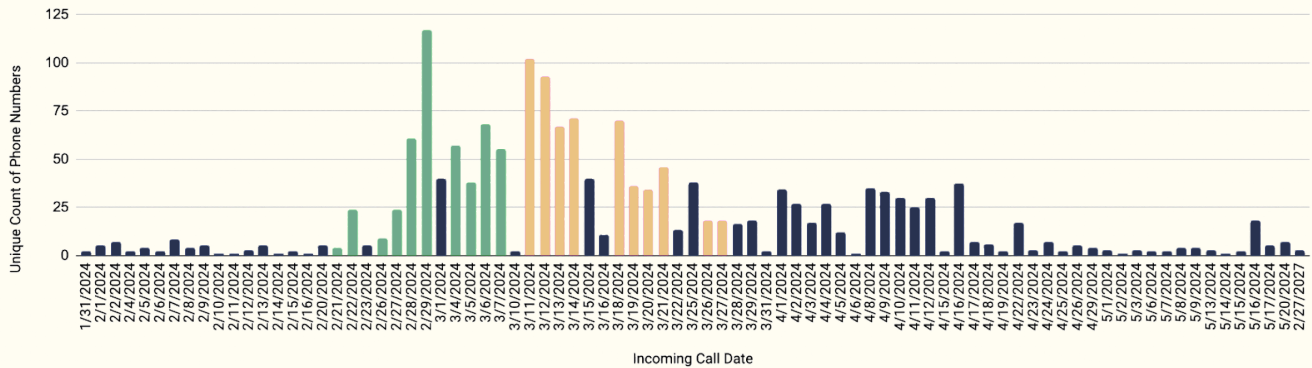
Table 3 | Overall VITA Production - Los Angeles County - All VITA/TCE sites

Current and prior year returns for non-filers not available. Some data elements were not provided for all years.

Tax Year	2023	2022	2021	Increase from 2022 to 2023		Increase from 2021 to 2022	
Total Returns	57,388	51,773	32,186	5,615	11%	19,587	61%
E-file Accepted	54,915	50,321	30,861	4,594	9%	19,460	63%
All Paper Returns	2,324	1452	1325	872	60%	127	10%
FSA E-filed Returns	149					0	
Total Refund Amount - Federal	\$52,412,602	\$46,534,949	\$52,304,531	\$5,877,653	13%	-\$5,769,582	-11%
EITC	10,028	8,925	9,971	1,103	12%	-1,046	-10%
Amount of EITC	\$17,930,774	\$14,478,852	\$14,120,070	\$3,451,922	24%	\$358,782	3%
CTC	5,867	9,038	6,200	-3,171	-35%	2,838	46%
Amount of CTC	\$7,952,634	\$13,144,867	\$14,367,302	-\$5,192,233	-40%	-\$1,222,435	-9%
ACTC	4,376						
Amount of ACTC	\$7,173,787						
Average AGI		\$28,358	\$28,798			-\$440	-2%
Requesting Direct Deposit	37,898	32,262	25,327	5,636	17%	6,935	27%
Primary or Secondary 60+	16,185	15,979	12,872	206	1%	3,107	24%
ITIN Count	1,980	1,663	1,221	317	19%	442	36%
Average Total Refund (federal) per Return	\$913.30	\$898.83	\$1,625.07	\$14.48	1.6%		
ETA, as of	12/1/2024	11/27/2023	10/5/2022				
SIDN Report, as of	12/5/2024	8/28/2023	10/13/2022				
TaxSlayer Report, as of	12/1/2024	10/30/2023	10/3/2022				
Notes	FSA 12/2/2024) FSA E-filed returns	Tax season extended to November 16th	Pandemic closures erased, Child Tax Credit Expansion, EITC Expansion				

Table 4 | Claim Your Cash LA Hotline

Hotline Calls by Date



The CYCLA hotline received 1,570 calls (unique phone numbers) as of 5/20/2024. The status of those calls was as follows:

Status	Number of unique phone numbers	Share of total calls
Blank	10	1%
Booked	355	23%
Booked Online	19	1%
Call Client Back	6	0%
DONE	4	0%
Left VM	200	13%
No VM	52	3%
Not Interested	241	15%
Other	500	32%
Out of Scope	118	8%
Pending Docs	79	5%
Referred	51	3%
Walk-In	18	1%
WILL CALL BACK	1	0%
WRONG #	2	0%
Grand Total	1,570	100%