

FDIC SURVEY OF
VITA 
PROVIDERS

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PROJECT PLAN YEAR
Sale UP

Analysis Report

Project team

PROJECT PLAN YEAR
Sale UP

Ess Analysis



Year	2017	2018	2019	2020
Revenue	1000	1200	1500	1800
Profit	200	250	300	350
Market Share	15%	18%	22%	25%



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Acknowledgements

Volunteer Income Tax Assistance (VITA) sites offer free tax-preparation services to lower-income households—those disproportionately more likely to be unbanked—at a time when they are likely to receive a relatively large tax refund or credit. The 2021 FDIC National Survey of Unbanked and Underbanked Households found that about one-third of newly banked U.S. households reported that receiving an economic impact payment or another public payment contributed to the household opening the new account. VITA sites, therefore, appear to be worthy of study as a potential “bankable moment” to expand economic inclusion in the banking system.

This report presents results from the FDIC Survey of VITA Providers, fielded in 2023. The survey was constructed and resulting data analyzed by the FDIC research team consisting of Elissa Cohen, Yan Lee, Jonathan Presler, Noah Shult, Jeffrey Weinstein, and Mary Zaki. FDIC staff Maisha Goss-Johns and Mia Sowell helped connect the researchers to knowledgeable stakeholders. Kristopher Rengert and Terrance Oey provided technical assistance. The survey was implemented by ICF International, Inc.

A number of stakeholders provided feedback vital to developing a survey instrument that was relevant and understandable to site operators. These included staff from CA\$H Oregon, the Consumer Financial Protection Bureau, the Dallas Community Tax Centers Program, the Financial Empowerment Network, Foundation Communities, the Internal Revenue Service (IRS) office of Stakeholder Partnerships, Education and Communication (SPEC), Louisville Metro Government, the Louisville Asset Building Coalition, Metro United Way (of Louisville, Kentucky), New Ventures Maine, the New York City Department of Consumer and Worker Protection, Prosperity Now, and University of Missouri Extension. A special thanks is due to Don Dill of the IRS, who shared invaluable insights into how VITA sites operate and the populations they serve.

The survey response benefited greatly from collaboration with IRS SPEC and with Prosperity Now through its Taxpayer Opportunity Network. Both organizations provided opportunities to promote the survey with their respective partners and members, undoubtedly contributing to the high response rate to the survey.

Lastly, a very special thank you is due to the 351 VITA sites that responded. The unique insights these sites provided from their particular experiences will inform economic-inclusion work now and in the years to come. And the survey respondents who participated in postsurvey conversations added rich qualitative data that especially helped bring the survey findings to life.

Mark Pearce, Director
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Executive Summary

The Federal Deposit Insurance Corporation (FDIC) Survey of Volunteer Income Tax Assistance (VITA) Providers (VITA survey) explores new opportunities to increase economic inclusion in the banking system. VITA sites provide lower-income households with free tax-preparation services when unbanked households—those without a checking or savings account at a federally-insured depository institution—may find opening a bank account advantageous to direct deposit sizable tax refunds or credits. The research initiative is part of the FDIC’s commitment to expanding access for U.S. households to affordable and sustainable banking services from insured depository institutions, which is integral to the agency mission of maintaining the stability of and public confidence in the U.S. financial system.

The FDIC fielded the survey shortly after the 2023 tax-filing season. The survey asked VITA program directors about site-specific experiences in offering banking services or barriers that had prevented the sites from doing so. Although not nationally representative, the survey is particularly valuable because of its focus on two distinct types of VITA sites: those already partnered with a bank or a credit union (partnered sites) to offer banking services, and those not currently partnered (nonpartnered sites). This focus allows the FDIC to learn about the unique contexts for both types of sites. The survey yielded a 72 percent response rate, with responses received from 351 VITA sites located in 49 states. Responses were collected from a diverse set of VITA sites, including many that are more likely to serve unbanked households.

This Executive Summary presents key results from the survey, including demand for banking services at VITA sites, barriers preventing VITA sites from forming banking partnerships, the usefulness of currently used approaches and opportunities for improvements, and the willingness of VITA sites to connect clients to safe and affordable bank accounts. The Executive Summary also presents tangible implications for increasing economic inclusion at VITA sites for multiple diverse stakeholders, including the banking industry, financial regulators, nonprofits, and VITA sites themselves.

Key survey results and implications are summarized below and are occasionally organized by whether respondent sites are partnered or nonpartnered.

Demand Exists for Banking Services at VITA Sites, and Many Sites Already Offer Financial Well-Being Services

Partnered Sites: Demand for banking services is expected to continue or increase at VITA sites that offered such services in 2023.

- Ninety-four percent of these respondent sites planned either to continue or increase these efforts in the 2024 tax-filing season.
- A majority (65 percent) planned to increase efforts to bank clients in the 2024 tax-filing season, with 78 percent of these sites identifying greater demand and need for the service as the reason.

Nonpartnered Sites: Most of these respondent sites did not identify lack of demand as their reason for not partnering.

- Fifty-five percent of these sites identified barriers other than demand.
- Only 38 percent cited lack of demand as a reason for not offering banking services.

VITA sites are willing to allocate resources toward services that would further the financial health of clients.

- In addition to providing standard tax-preparation services, 70 percent of respondent sites already engaged in activities related to financial well-being, such as encouraging clients to save tax refunds or offering financial-counseling services.
- More than half (54 percent) of respondent sites used their own staff and volunteers to engage in these initiatives.

Knowledge, Comfort, and Resource Barriers Prevent Nonpartnered VITA Sites From Forming Partnerships

Overall, 75 percent of respondent sites that did not already partner with a bank or credit union cited at least one knowledge, comfort, or resource barrier as a reason for not partnering.

A third of respondent sites without banking partnerships (33 percent) reported at least one knowledge barrier.

- Twenty-three percent cited a lack of awareness of the possibility for partnership.
- Twelve percent cited a lack of knowledge of how to execute a partnership.
- Seven percent cited a lack of knowledge of how to find a partner.

Another third (34 percent) reported at least one comfort barrier as a reason for not having a banking partnership, including

- concern about not knowing how to remain neutral when guiding clients to a specific financial institution (16 percent);
- discomfort providing banking assistance in a volunteer or staff role (16 percent); and
- concern about client privacy (15 percent).

Forty-two percent indicated at least one resource barrier, including

- not having enough funding or in-kind support for banking services (35 percent); and
- lack of availability of a financial institution willing or able to partner with them (10 percent).

Partnered VITA Sites Reveal That They Met Their Partners Through Networking and Bank Initiative, and Other Opportunities to Increase Economic Inclusion

Networking and the initiative of financial institutions helped VITA sites to meet their partners.

- Almost a third of respondent sites with banking partners met their banking partners through an event or network (for example, Bank On coalitions, community organization coalitions, a local FDIC Alliance for Economic Inclusion, and VITA coalitions).
- Around one-quarter formed their partnership as a result of the initiative of the partner bank or credit union.

Partnered sites shared which practices they considered most useful for helping clients open bank accounts to increase direct deposit, which could inform nonpartnered sites about potentially worthwhile ways to implement new partnerships.

- Of sites that opened accounts with banking partners on-site using phones, virtual conferences, mobile apps, or paper forms, 71 percent found this practice “very useful.”
- Of sites that used “warm handoff” referrals for clients to open accounts off-site, 86 percent of respondent sites found the practice “very useful.”
- Of sites that used alternative methods such as providing government or other trusted website links, 85 percent reported this practice “very useful.”

Survey responses reveal several areas where even partnered VITA sites could strengthen existing economic-inclusion efforts.

- Despite the large majority of sites that use warm handoffs reporting this practice very useful, only 20 percent of respondent sites that sent clients off-site for banking services use the practice.
- Although all partnered respondent sites provided clients with on-site tax-preparation options, forty-one percent of these sites did not also provide on-site options for opening savings or checking accounts.
- Twenty-five percent of VITA sites that offer virtual tax-preparation services did not mention the option to receive assistance in opening a bank account when providing virtual services.
- Only 41 percent of these respondent sites could confirm that accounts partner institutions offered to their clients met Bank On National Account Standards.

VITA Sites Are Willing to Connect Clients to Safe and Affordable Bank Accounts

Both partnered and nonpartnered VITA sites are receptive to sharing information with clients about safe and affordable accounts and partnering with institutions that provide such accounts. To make use of a recognized set of “safe and affordable” accounts, the survey specifically asked VITA sites about accounts that met Bank On National Account Standards.¹

Partnered Sites: Even among respondent sites that are already partnered,

- sixty-five percent were willing to provide clients with a list of local financial institutions that offered Bank On accounts;
- fifty-eight percent were willing to provide a website link that allowed clients to look up local financial institutions that offer Bank On accounts; and
- forty percent were willing to partner with financial institutions that offered accounts that met Bank On standards.

Nonpartnered Sites: Among these respondent sites,

- sixty-six percent were willing to provide clients with a list of local financial institutions that offered Bank On accounts;
- sixty-one percent were willing to provide a website link that allowed clients to look up local financial institutions that offered Bank On accounts; and
- fifty-one percent were willing to partner with financial institutions that offered accounts that met Bank On standards.

¹Bank On National Account Standards were adapted from FDIC Safe Accounts guidelines for promoting financial inclusivity features and accessibility.

Implications

Findings from the VITA survey lead to three broad implications for stakeholders that are interested in increasing economic inclusion through access to bank accounts at VITA sites.

Implication 1: VITA sites open to partnership would benefit from efforts to connect the sites with potential partners—especially, partners that provide safe and affordable banking products.

- Networking events can promote partnerships between banks and VITA organizations.
- Banks can be informed of the role of VITA sites and consider the benefits of initiating partnerships.
- VITA sites can confirm that current or potential partner institutions provide safe and affordable accounts, such as accounts that meet Bank On National Account Standards.

Implication 2: VITA sites would benefit from technical assistance in forming and executing partnerships and information that addresses specific knowledge, comfort, and resource gaps, including

- materials that share practices partnered sites consider useful and that explain what banking partnerships are and how to form and implement them;
- materials that address common concerns, such as whether volunteers and staff providing banking services is appropriate and the potential implications for client privacy; and
- tools that allow VITA sites to easily identify local branches of institutions that offer Bank On accounts.

Implication 3: Opportunities exist to increase economic inclusion, even at partnered sites. These opportunities include, but are not limited to:

- implementing more personal referral methods when adopting off-site account-opening practices, including the use of warm handoffs;
- providing account-opening assistance on-site when clients are already present for tax-preparation services; and
- communicating at other steps of the tax-preparation process that account-opening assistance is available, including when sites deliver services virtually.

The full 2023 VITA survey report provides greater detail about the motivation and content of the survey, its findings, and corresponding implications for potentially increasing economic inclusion at VITA sites.



1.

A Survey of VITA Sites to Explore Opportunities for Economic Inclusion

The Federal Deposit Insurance Corporation (FDIC) Survey of Volunteer Income Tax Assistance (VITA) Providers (VITA survey) explores new opportunities to increase economic inclusion of unbanked households—those without a checking or savings account at a federally-insured depository institution—in the banking system. VITA sites are administered by the Internal Revenue Service (IRS) to provide lower-income households with free tax-preparation services. These sites offer a unique context in which households with a greater likelihood of being unbanked may find opening bank accounts advantageous to direct deposit sizable tax refunds or credits. This report highlights survey findings that can tangibly inform the economic-inclusion efforts of diverse stakeholders, including financial regulators, the banking industry, nonprofits, and VITA sites themselves.

The FDIC administered the VITA survey shortly after the 2023 tax season and received responses from 351 of the 486 sites that were asked to participate (a 72 percent response rate). Although not nationally representative, the survey is particularly valuable because it intentionally focuses on two distinct types of VITA sites: those already partnered with a bank or a credit union (partnered sites) to offer banking services, and those not currently partnered (nonpartnered sites). The survey asked VITA program directors questions about site-specific experiences offering banking services or barriers that had prevented their sites from doing so.

Despite the potential opportunities to increase economic inclusion at VITA sites, to our knowledge, there has been no formal study of the logistics for or barriers to the implementation of banking partnerships at VITA sites. In addition to data specific to partnered and nonpartnered sites, the survey yielded a diverse set of responses, including from sites located in majority Black or Hispanic census tracts, sites in tracts with relatively higher Native American populations, and sites in nonmetropolitan counties. This section further discusses the FDIC’s motivation for conducting the survey, how the FDIC implemented the survey, the characteristics of respondent sites, and stakeholder feedback that helped inform the survey project.

Motivation for a Survey

In the nationally representative 2021 FDIC National Survey of Unbanked and Underbanked Households (Household Survey), one-third of newly banked U.S. households reported that receiving an economic impact payment or another public payment contributed to the household opening the new account. In other words, receiving large lump-sum payments may influence unbanked households to open bank accounts. Further, the survey found lower-income households; Black, Hispanic, and American Indian or Alaska Native households; and households located in non-Metropolitan Statistical Areas (MSAs) are disproportionately likely to be unbanked.² The Household Survey findings motivated the FDIC to investigate VITA sites as a potential avenue for increasing economic inclusion, given the populations VITA sites serve or may serve.

VITA sites offer free tax-preparation services to households that meet certain criteria. In the 2023 tax-filing season, households qualified if their 2022 incomes were “generally \$60,000 or less” or if they had limited English proficiency.³ The tax-preparation services VITA sites offer typically result in clients receiving lump sums of income from tax refunds and credits. In addition to serving populations that are more likely to be unbanked and providing a service that may motivate populations to open bank accounts, VITA sites provide an infrastructure through which to reach unbanked households in known locations during specific annual windows of time. In other words, VITA sites may offer a viable opportunity to expand bank-account access when and where unbanked populations could benefit from opening a bank account. In the 2018 tax-filing season, VITA sites processed about 1.3 million income tax returns totaling \$1.85 billion in refunds.⁴

Having a bank account through which to receive their refunds or tax credits via direct deposit may create several benefits for VITA clients. Direct deposit allows clients to receive funds earlier and decreases the likelihood that a refund issued via a paper check will be lost, stolen, destroyed, or go uncashed.⁵ For unbanked refund recipients, direct deposit would eliminate the need for check-cashing services, allowing the client to receive his or her refund or credit in full. During the COVID-19 pandemic, many without a history of receiving electronic deposits from the government waited months to receive their economic impact payments because the U.S. Department of the Treasury could only process, print, and mail a limited number of paper checks each week.⁶ Direct deposit would eliminate such long wait times for payments.

² FDIC, *2021 FDIC National Survey of Unbanked and Underbanked Households Appendix Tables* (Washington, DC: FDIC, October 2022), 3–4, <https://www.fdic.gov/analysis/household-survey/2021appendix.pdf>.

³ “Free Tax Return Preparation for Qualifying Taxpayers,” IRS, updated January 18, 2024, <https://www.irs.gov/individuals/free-tax-return-preparation-for-qualifying-taxpayers>. Another eligibility criterion is whether the household had a disabled member.

⁴ Prosperity Now, *VITA One-Pager 2019* (Washington, DC: Prosperity Now, June 2019), <https://prosperitynow.org/sites/default/files/resources/VITA%20One-Pager%202019.pdf>.

⁵ “Get Your Refund Faster: Tell IRS to Direct Deposit Your Refund to One, Two, or Three Accounts,” IRS, updated February 15, 2024, <https://www.irs.gov/refunds/get-your-refund-faster-tell-irs-to-direct-deposit-your-refund-to-one-two-or-three-accounts>.

⁶ Government Accountability Office, *COVID-19: Opportunities to Improve Federal Response and Recovery Efforts*, GAO-20-625 (Washington, DC: Government Accountability Office, June 2020), 219, <https://www.gao.gov/assets/gao-20-625.pdf>; and “No Bank Account? Prepare to Wait for COVID-19 Cash,” Don’t Mess With Taxes, April 20, 2020, <https://www.dontmesswithtaxes.com/2020/04/no-bank-account-means-long-wait-for-covid19-coronavirus-relief-payment.html>.

In addition to potentially benefiting the tax filer, increased use of direct deposit saves government resources. The IRS and the Department of the Treasury spend \$0.10 to distribute refunds via direct deposit compared with spending more than \$1 to print and mail a paper check.⁷ Administratively, increased use of direct deposit would assist the government in executing cash transfers in emergencies or if implementing any future electronic-only payment policies.⁸

To our knowledge, no public reports exist on the opening of bank accounts at VITA sites. Given the lack of previous studies and the potential to increase economic inclusion at VITA sites, the survey's intent is to learn how VITA sites may already be assisting clients in opening bank accounts to receive refunds via direct deposit and to learn what barriers may prevent other VITA sites from helping clients to open bank accounts. The FDIC identified sites that previously offered banking services by contacting VITA umbrella organizations that participated in Prosperity Now's 2019 and 2021 annual Taxpayer Opportunity Network End of Season Surveys and answered "yes" to whether the organization's VITA clients were connected to "bank accounts, savings bonds, debit cards" in the previous season.⁹

Survey Implementation

The FDIC fielded the VITA survey between May 15 and June 30, 2023. The FDIC electronically sent personalized links to the survey instrument to program directors overseeing 486 VITA sites and asked them to answer site-specific questions.¹⁰ Given the survey's focus on capturing the distinct experiences of partnered sites and nonpartnered sites, the FDIC made special efforts to identify sites that were more likely to already have banking partnerships. Further, the FDIC attempted to identify sites that were more likely to serve disproportionately unbanked populations.

Stakeholder feedback collected during the survey-development phase consistently indicated VITA program directors were the most appropriate individuals within VITA organizations to receive the survey.¹¹ Program directors could answer questions about both site-specific operations and decisions about program strategy, especially as these decisions pertained to forming a banking partnership.¹² Ultimately, 90.0 percent of survey respondents were program directors, with the remaining respondents holding other titles within their VITA organizations.

⁷ "Get a Federal Tax Refund Faster With Direct Deposit," IRS, updated February 16, 2024, <https://www.irs.gov/newsroom/get-a-federal-tax-refund-faster-with-direct-deposit>.

⁸ Kate Berry, "Unbanked Stimulus Seekers Rush to Open Checking Accounts," *American Banker*, March 17, 2021, <https://www.americanbanker.com/news/unbanked-stimulus-seekers-rush-to-open-checking-accounts>.

⁹ A total of 130 VITA organizations participated in the 2019 survey, and 111 VITA organizations participated in the 2021 survey.

¹⁰ Some program directors oversaw more than one VITA site, and the sample may have included more than one of their sites. Site-specific survey links identified each site selected for the sample by its physical address. See Appendix A for more details regarding survey fielding.

¹¹ See the section "Stakeholder Feedback" below for more discussion.

¹² In comparison, stakeholder feedback indicated site coordinators and volunteers were not the best candidates to receive the survey because they may not be privy to the programmatic decisions that affect their sites.

No comprehensive, central database of VITA sites is available, nor is centralized, public information on the populations each VITA site serves or the services VITA sites might offer in addition to tax preparation. Therefore, the FDIC could not apply a sampling frame to yield nationally representative results. Instead, the FDIC drew the sample of the sites invited to participate from a multisource pool. The pool included 3,694 VITA sites that posted their locations on a public IRS web-locator tool in late February 2023, during peak tax-filing season.¹³ The pool also included additional sites that were identified to have served Indian Country, won VITA grants, or offered banking services in the past.¹⁴ These efforts added 114 sites to the pool.

From the 3,808 sites in the survey pool, the FDIC invited program directors from 486 sites to participate in the survey. To represent sites more likely to have a current partnership with a bank or credit union, the survey included sites that were overseen by an organization that had previously offered banking services at some of their sites. The sample also included sites based on observable characteristics representing certain dimensions of interest. To capture sites more likely to serve populations with higher unbanked rates, the survey disproportionately included sites located in a majority Black or Hispanic census tract, sites located in a tract with a high Native American population or advertised as specifically serving Indian Country, and sites located in a non-MSA county.¹⁵ The survey also included sites that were overseen by an organization that had won a VITA grant to represent sites that served more clients and were therefore more likely to include unbanked households. Last, sites were selected such that the survey sample included sites from each U.S. state.¹⁶

¹³ VITA sites may request to not post their information on the IRS web-locator tool and inactive sites appear on the tool. Therefore, not all active sites can be identified with the tool.

¹⁴ The FDIC collected sites that had won VITA grants or served Indian Country from flyers and organizational websites. The effort to identify additional sites of interest was not comprehensive in scope. See Appendix A for more details.

¹⁵ We define High Share Native American census tracts as census tracts with at least 15 percent of their populations categorized as American Indian or Alaskan Natives.

¹⁶ For more details on the construction of the VITA site pool and subsequent selection into the invited sample, please refer to Appendix A.

Who Responded to the Survey?

Program directors and other staff from a diverse set of VITA sites responded to the survey. Of the 486 sites included in the sample, the FDIC received responses from 351 sites (almost 10 percent of the number of sites listed on the IRS web-locator tool). Table 1.1 shows the composition of respondent sites.

TABLE 1.1 Percent of Respondent Sites With the Following Characteristics

Universe: All Respondent Sites (N = 351)

Respondent Site Characteristics	Percent
Has a banking partnership:^a	
Yes	28.2
No	71.8
Total	100
Located in a census tract that is:	
Majority ^b Hispanic	20.9
Majority Asian	1.7
Majority Black	19.2
Majority White	65.9
High share of Native American ^c	6.0
Other ^d	3.4
Located in a county that is:	
MSA ^e	75.1
Non-MSA ^f	24.9
Total	100

Sources: US Census Bureau's "2020 Census Demographic Profile" and FDIC VITA Survey Question 4: "For the 2023 tax season, did VITA site, [VITA SITE NAME], at [VITA SITE ADDRESS] have a partnership with any bank or credit union to help its VITA clients open new checking or savings accounts, either onsite, online, through referrals, or through any other method?"

Notes: Two VITA sites indicated they delivered only virtual services. Because their service areas may encompass multiple geographic areas, the analyses exclude the demographic and geographic classifications of these two VITA sites, resulting in a respondent size of 349 sites when categorized by location. The universe for the banking partnership designation is 351.

^a The FDIC considers a site to have a banking partnership if it answered "Yes" to question 4 (Q4) in the survey.

^b A census tract designated as having a "Majority" is a tract with at least 50 percent of its population in the given racial or ethnic category. Respondents may be included in more than one census tract designation because: (1) the Hispanic ethnicity is distinct from characterization by race; (2) the tract is evenly split between two racial categories; or (3) a "High Share Native American" tract may comprise a majority of another race or ethnicity.

^c High Share Native American census tracts are those with at least 15 percent of their populations categorized as American Indian or Alaskan Natives.

^d "2020 Census Demographic Profile," U.S. Census Bureau, updated September 27, 2023, <https://www.census.gov/data/tables/2023/dec/2020-census-demographic-profile.html>. Population statistics come from the 2020 Census Demographic Profile. "Other" census tracts are those with no majority in the other characterizations shown.

^e An MSA is an area that comprises one or more counties that contain a population of 50,000 or more people.

^f "Historical Delineation Files," U.S. Census Bureau, updated June 22, 2023, <https://www.census.gov/data/tables/2023/dec/2020-census-demographic-profile.html>. The FDIC derived MSA and non-MSA classifications from the Census Bureau's March 2020 designations. A non-MSA is either a micropolitan area, which is an area that comprises one or more counties that contain a population between 10,000 and 49,999 people, or an area with a population of fewer than 10,000 people.

Importantly, 28.2 percent of respondent sites had existing banking partnerships. For the purposes of this report, a banking partnership is a formal or informal arrangement between a VITA site and a bank or credit union that enables the site to assist its clients in opening bank accounts. While the survey asked all VITA sites some common questions, the questions then bifurcated based on whether the site had a banking partnership (partnered versus nonpartnered sites). Survey questions specific to partnered VITA sites asked about their procedures for helping clients open bank accounts, whereas questions specific to nonpartnered VITA sites related to the barriers that prevented them from partnering.

While almost two-thirds of respondent sites were located in majority White census tracts, sizable shares were also located in majority Black or Hispanic tracts (19.2 percent in majority Black tracts and 20.9 percent in majority Hispanic tracts).¹⁷ The survey responses also captured some sites in tracts more likely to serve Native Americans. About a quarter (24.9 percent) of respondent sites were located in non-MSA counties. The FDIC received responses from sites located in 49 of the 50 U.S. states.

Stakeholder Feedback

Before fielding the VITA survey, the FDIC held multiple conversations with VITA staff, including organization directors and program directors, as well as interested stakeholders, such as staff from the IRS office of Stakeholder Partnerships, Education and Communication, other agencies, and VITA network organizations. The FDIC held 10 virtual meetings with stakeholders, where some were asked whom they felt was most appropriate within a VITA organization to receive the survey. At these meetings, the FDIC also asked stakeholders about the optimal timing for fielding the survey and collected feedback on the survey instrument itself, including the relevance of proposed survey questions, how questions should be phrased so respondents can understand them, and answer options that reflect the likely experiences of many sites. The intent of the conversations held during the survey-development phase was to increase survey responses and increase the effectiveness of the survey questions.

After fielding had concluded, the FDIC conducted another 10 follow-up interviews with a subset of survey respondents. These respondents were contacted, for example, if in open-text response options they provided substantive and nuanced context or they shared plans to change their partner. Other survey respondents were contacted if they indicated in their survey answers that they use VITA volunteers or staff to open bank accounts without bank employees on-site or that they experienced a resource barrier.¹⁸ The purpose of these postsurvey follow-up interviews was to collect real-world insights to inform interpretations of the survey findings.

¹⁷ Census tract categories are not mutually exclusive. For example, a majority Hispanic census tract may include individuals from any racial category who identify with Hispanic ethnicity.

¹⁸ In some instances, the FDIC also contacted respondents if their survey answers appeared contradictory. For example, one respondent site reported its host site was a financial institution, yet the site also reported it did not have a banking partnership. In this case, the respondent site confirmed that the site was located at a financial institution but no other coordination with institution staff occurred to assist VITA site clients.

Summary

The VITA survey seeks to explore the potential to increase economic inclusion at VITA sites, which serve households that may be disproportionately unbanked, when these households may be motivated to open a bank account. To our knowledge, little information exists on efforts by VITA sites to help unbanked households open bank accounts, and no centralized information is available on the locations of all VITA sites and the services they provide. The FDIC endeavored to develop a pool of sites to draw a survey sample that included sites more likely to serve unbanked households and yielded geographic variation. The overall response to the VITA survey included a relatively large and diverse set of VITA sites and their attendant experiences. In particular, the survey captures how sites that have banking partnerships provide banking-related services as well as documents the barriers that prevent sites that do not have a current partnership from having one.

The next section in this report contextualizes the relationship between survey questions and on-the-ground VITA site operations. Then, Sections 3 through 6 present the main survey findings, and Section 7 provides the implications of these results. Throughout the report, feedback from stakeholder outreach is referenced when helpful to illuminate the findings.

2.

Survey Questions in the Context of VITA Operations

A diverse set of VITA sites responded to the VITA survey. In particular, the ability to distinguish between sites that have banking partnerships and sites that do not greatly assisted the FDIC in identifying potential opportunities to increase financial inclusion as well as barriers that prevent sites from doing so. This section summarizes the survey questions and discusses the information the questions intended to elicit.¹⁹ To provide context for the survey effort, this section also discusses aspects of VITA-site operations, which are sometimes accompanied by answers collected from the survey. The overview below presents survey questions in the following order: questions asked of all sites, questions asked of sites with banking partnerships, and questions asked of sites without partnerships.

Questions Asked of All Respondent Sites

All VITA sites invited to participate in the survey were asked general questions about how the sites provided tax-preparation services to their clients.

Host Locations of VITA Sites

The survey asked where respondent VITA sites were hosted. Information about site locations informs the FDIC where clients are receiving VITA services, which provides stakeholders helpful data to use in the concentration of efforts or tailoring of initiatives. About 40 percent of these sites were hosted in the facilities of social-service organizations, and an additional 19 percent were hosted in community centers. The remaining sites either offered services at a municipal, educational, religious, or commercial space, or provided services virtually.²⁰

¹⁹ The full survey instrument can be found in Appendix B.

²⁰ Appendix Table C.1 shows the distribution of the host locations of respondent VITA sites.

VITA Delivery Models

VITA sites deliver VITA services in a variety of ways (see Spotlight: VITA Delivery Models, for descriptions of each). Survey respondents were asked to cite all VITA delivery models the respondents offered clients. Knowing which models sites offered is helpful for a few reasons. First, combining information about the models offered with information about whether a site offered assistance opening a bank account can reveal opportunities to improve access to opening accounts. Second, documenting the availability of each delivery model across sites can help stakeholders to decide whether to tailor initiatives to specific delivery models. Figure 2.1 shows the distribution of VITA delivery models offered at respondent sites. The most common VITA delivery methods were in-person tax preparation (85.5 percent), drop-off (57.8 percent), and virtual (22.5 percent), with some sites offering multiple options.



Spotlight: VITA Delivery Models

In-person: In-person tax preparation involves on-site, face-to-face interaction throughout the tax-preparation process. Clients can receive in-person tax-preparation services either within a tax-preparation facility or via drive-through, typically in a single visit.

Drop-off: Drop-off services typically require clients to arrive on-site to drop off or scan their tax documentation and materials as well as fill out an intake form. Clients leave the site while a VITA volunteer completes the tax return. The client ultimately either returns to the site to review and sign the return or completes the return remotely via other means.

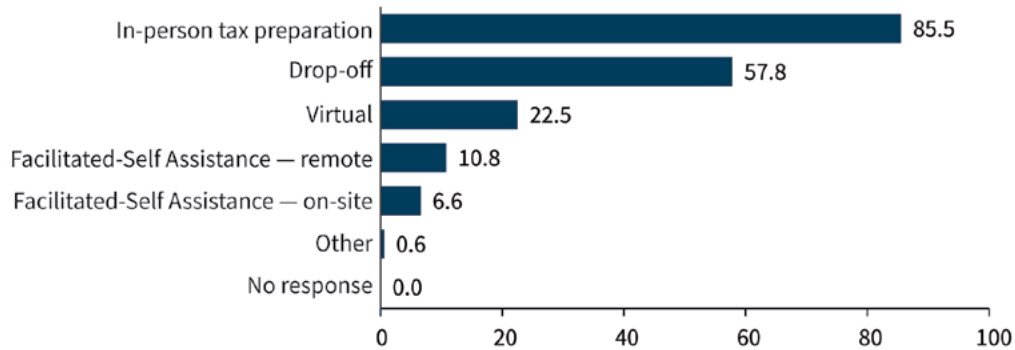
Virtual: Virtual service models do not require any on-site travel. Instead, clients either mail, fax, or scan and upload their tax documentation and materials, at which point a volunteer prepares the tax return remotely. After completing the return, the volunteer contacts the client by phone or video for review and approval.

Facilitated Self-Assistance (FSA): FSA services may be either on-site or remote.²¹ FSA services are software programs that ask clients questions to populate the required information on client tax returns. FSA services allow clients the opportunity to prepare and e-file their own tax returns with minimal volunteer involvement. However, VITA volunteers are available should questions arise during the process. On-site FSA services can be located either at in-person sites or at stand-alone sites that only operate FSA services. When using remote FSA services, which are internet based, clients can receive assistance from volunteers during specified hours or through email.

²¹The IRS distinguishes between three types of FSA delivery models: fusion, stand-alone, and remote. This report combines the fusion and stand-alone service-delivery methods into a single on-site category. For more information regarding the IRS's VITA service models, see IRS Publication 4671.

FIGURE 2.1 Percent of Respondent Sites Offering the Following Service Delivery Models

Universe: All Respondent Sites (N = 351)



Source: FDIC VITA Survey Question 2: “In 2023, what service models were offered by this VITA site? (Select all that apply.)”

Notes: Some survey respondents selected the “Other” category and entered text responses that either were associated with service-delivery models that had previously been selected or were unrelated to the question. In these instances, the FDIC removed the “Other” responses.

Financial Well-Being Initiatives

The survey asked all sites if they promoted financial well-being (FWB) to their clients in addition to providing tax-preparation services, and whether volunteers and staff were allocated to these activities. Such initiatives indicate the willingness of sites to allocate resources to activities that promote financial well-being as well as the potential availability of human-touch resources to promote the opening of bank accounts.

Alternatives to Direct Deposit

The VITA survey asked all sites about bank-account alternatives made available to clients for the transfer of refunds. Possible responses included prepaid debit cards, links to government websites, and information about financial institutions that clients could access independently. The availability of alternatives to direct deposit to bank accounts helps inform whether demand for accounts exists at VITA sites. If sites offered clients alternative options to direct deposit, then the sites may be less interested in engaging in initiatives that promote bank-account access. Importantly, if nonpartnered sites did not provide any alternatives, then the sites’ unbanked clients can only receive their tax refunds through paper checks.

Willingness to Promote Safe Accounts

Finally, the survey asked all respondent sites about their willingness to promote or connect clients with safe and affordable bank accounts. Specifically, the survey asked whether sites provided or would be willing to provide clients with links to websites with information on local banks or credit unions that offer accounts that meet Bank On National Account Standards, or lists of local institutions that offer such accounts.

The survey also asked whether sites would be willing to partner with a bank or credit union that offers Bank On accounts. Responses to these questions help to gauge the degree to which partnered sites provide their clients with accounts that meet certain safety and affordability standards and reveal what efforts nonpartnered sites are willing to make to provide clients access to bank accounts.

Questions Asked of Sites With Banking Partnerships

Survey questions specific to partnered VITA sites related to different aspects of the sites' partnerships, including the origins of the partnerships, logistics of account-opening assistance, and plans for future engagement. A banking partner can be either a bank or a credit union.

Origins of Banking Partnerships

The survey asked partnered VITA sites to identify how they formed their banking partnerships. Knowing how partnered sites successfully connect with financial institutions can inform stakeholders and nonpartnered sites about common ways to partner sites with banks and credit unions.

The Logistics of Account-Opening Assistance

Most of the questions for partnered sites related to how the sites assisted clients in opening bank accounts—for example, questions about when in the tax-preparation process banking assistance was mentioned, where the assistance was offered, how it was offered, and an assessment of how useful the method of assistance was for clients in the successful direct deposit of their refunds.

When Sites Offer Account-Opening Assistance. The process of VITA tax-return preparation consists of five main steps: scheduling, intake, tax preparation, quality review, and posttax preparation (see Figure 2.2 and Spotlight: VITA Steps). The availability of assistance for opening bank accounts may be mentioned to clients at any one of these steps or during waiting periods in between steps.

FIGURE 2.2 Steps in the VITA Tax-Return Preparation Process



Source: FDIC



Spotlight: VITA Steps

Scheduling: Although some VITA sites allow walk-ins, many typically require clients to make an appointment for VITA services either by phone or through a website. After scheduling, clients may receive confirmation emails or mailings with lists of required documents and other information the site would like to relay in preparation for the appointment.

Intake: Upon arrival for an appointment, the client completes the intake process. During the intake stage, clients complete an Intake/Interview & Quality Review Sheet, sometimes with the assistance of volunteers. Volunteers also check to confirm the client brought all the required documents. The intake form informs VITA volunteers whether auxiliary services may benefit the client (for instance, when clients need to open a bank account to deposit directly or split a refund). Some sites may ask clients to fill out an additional, organization-specific intake form that gleanes further information about the client.

Tax Preparation: Once the intake process has been completed, a VITA volunteer or staff member prepares a tax return using the information and documents the client provided in the intake step. In some instances, the client stays alongside the VITA volunteer throughout the entire preparation process. In other instances, the volunteer asks the client to wait in a designated waiting area or in his or her car, or to depart. The volunteer may ask the client to return once the volunteer has completed the tax return.

Quality Review: When the tax return has been completed, a separate quality reviewer checks to ensure the tax return is free from error and all necessary fields have been filled out (for example, routing and account numbers if the client is requesting the direct deposit of the refund). Once the quality reviewer approves the return, site staff obtain the client's signature and file the return or provide the return to the client for filing.

Posttax Preparation: After tax-return preparation has been completed, services may still be available to VITA clients at some locations. These services may include quarterly filings for self-employed individuals, assistance in filing amended returns, and follow-ups on organizational services in which a client may have indicated interest during the tax-preparation process (for instance, credit counseling or applications to social safety-net programs).

The survey asked partnered VITA sites to indicate, for each of their VITA delivery models, at what steps in the tax-preparation process the site informed clients that a banking partner was available to help them set up an account.²² This question can reveal the gaps or challenges of incorporating assistance opening bank accounts into certain delivery models.

Where Sites Offer Account-Opening Assistance. Even if a site offers delivery models that require clients to appear physically on-site, such as the in-person and drop-off models, the site will not necessarily provide account-opening assistance on-site. Rather, the site may opt to guide clients off-site to its partner bank. On-site account-opening assistance has the advantage of being offered while clients are physically present for their tax-preparation process and while volunteers, staff, or bank employees are present and can assist. Off-site referrals to banking partners, however, require a client to act independently and incur travel costs to open an account. Further, unless previously informed, bank branch employees may not be familiar with the needs of VITA clients, leading to client confusion or frustration, a situation noted in stakeholder feedback.

Off-site referrals appear more common than on-site assistance in partner arrangements. Of respondent sites with partnerships, 76.8 percent (76 of 99 sites) may refer clients off-site to the sites' banking partners, while 58.6 percent (58 of 99 sites) may provide on-site account-opening assistance.²³ Further, all partnered respondent sites offered some on-site tax-preparation services; therefore, more than 40 percent of partnered sites did not offer any on-site assistance opening bank accounts along with the sites' main services.

How Sites Offer Account-Opening Assistance. VITA sites can provide assistance opening accounts in myriad ways, regardless of whether the service is conducted on-site or off-site. Each method has advantages and drawbacks. Information about how VITA sites help clients open savings and checking accounts can demonstrate to other VITA sites the range of ways available to implement similar offerings and to broaden knowledge of the accommodations institutions may make to meet VITA site needs.

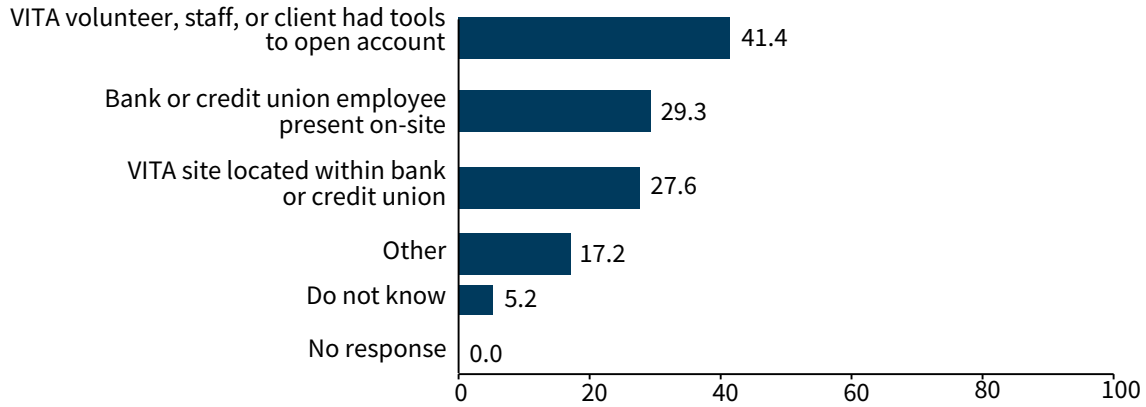
On-site account-opening assistance can be performed by on-site bank employees or by VITA volunteers and staff with tools that do not require bank employees to be physically present. Figure 2.3 presents the distribution of methods partnered respondent sites used to provide on-site account-opening assistance. Of the partnered respondent sites, 41.4 percent used tools, such as online applications or paper forms, to enable VITA volunteers, staff, or clients to set up accounts without bank employees being present.

²² To reduce survey burden, this question appeared for the following VITA delivery models only: in-person, drop-off, and virtual.

²³ Some sites provided both options to clients (i.e., either to open savings or checking accounts on-site or to be guided off-site to a banking partner). The statistics presented here are drawn from the calculations for the universes of Figures 2.3 and 2.4; see the notes of these figures for additional information on how these sites were included. See Table 5.1 for details on the number of VITA sites offering each specific service; the on-site and off-site totals presented in Table 5.1 include only the sites which selected a specific service listed in that table and therefore differ slightly from the values presented here.

FIGURE 2.3 Percent of Partnered Respondent Sites Offering the Following On-Site Account-Opening Methods

Universe: Respondent Sites With Banking Partnerships That Do or May Provide On-Site Banking Services (N = 58)



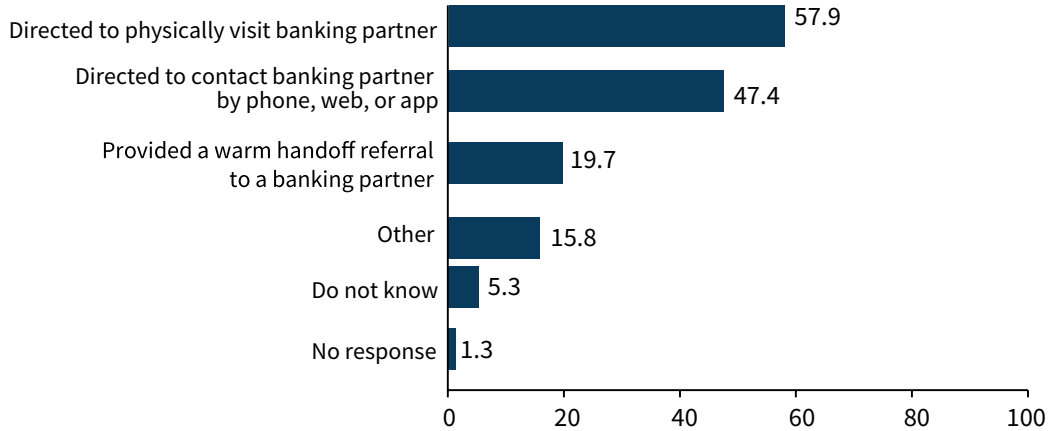
Source: FDIC VITA Survey Question 8: “In which of the following ways were clients able to open (or begin the process of opening) checking or savings accounts on-site at this VITA site in 2023? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Partnered sites received Q8 if they indicated in Q7 that they do or may provide on-site banking services (“Yes” or “Do not know”). Tools that VITA volunteers, staff, or clients could have used include phones, virtual conferences, mobile apps, or paper forms associated with the banking partner.

Off-site referrals can range from simply relaying information about the partner institution to providing clients more personalized referrals or “warm handoffs” to partners. Figure 2.4 presents the distribution of off-site referral methods among respondent sites that provided banking services off-site. Almost 60 percent of these respondent sites directed their clients to visit site partners physically to open an account. Forty-seven percent directed clients to contact the partner via telephone or the internet. Only about one-fifth engaged in a warm handoff referral.

FIGURE 2.4 Percent of Partnered Respondent Sites Offering the Following Off-Site Account-Opening Methods

Universe: Respondent Sites With Banking Partnerships That Do or May Provide Off-Site Banking Services (N = 76)



Source: FDIC VITA Survey Question 11: “In which of the following ways were clients directed to open checking or savings accounts off-site with your partner bank(s) or credit union(s) in 2023? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Partnered sites received Q11 if they indicated that: (1) in Q2 their sites do not provide any on-site VITA delivery services, or (2) in Q7 they do not provide on-site banking services (“No”), or (3) in Q7 they do or may provide on-site banking services (“Yes” or “Do not know”) while also indicating in Q10 that they do or may provide off-site banking services (“Yes” or “Do not know”).

How Useful Are Certain Methods of Account-Opening Assistance? The VITA survey asked respondents to rate how useful they believed their methods of account-opening assistance or their alternatives were in increasing the likelihood the respondents’ clients would directly deposit their refunds. Responses to these survey questions can indicate which methods VITA sites consider most effective in helping unbanked VITA clients to open accounts successfully.

Future Tax-Filing Seasons

The survey also asked partnered VITA sites whether they expected to help unbanked clients open savings and checking accounts in the 2024 tax-filing season. Knowing whether VITA sites will continue to assist clients in opening accounts in the upcoming tax-filing season sheds light on whether sites perceive a continued need for these services, and in turn, whether devoting resources to increasing the opening of bank accounts at VITA sites is worthwhile.

Questions Asked of Sites Without Banking Partnerships

The survey asked nonpartnered VITA sites a shorter set of questions related to barriers that prevented the sites from forming banking partnerships. The survey also asked these sites whether they ever had a banking partnership (which had since dissolved) or whether respondents were responsible for other sites that did have a banking partnership, despite the surveyed site not having one. The purposes of the questions asked of nonpartnered sites were understanding whether lack of demand drives most sites not to engage in partnerships and identifying the obstacles these sites may need to overcome so they can provide banking services to clients.

Summary

The VITA survey asked all respondents where their site was hosted, what delivery methods the respondents used to provide tax-preparation services, whether respondents offered services related to financial well-being but not related to tax preparation, whether options were available besides direct deposit or paper checks for clients to receive their refunds or tax credits, and the degree of willingness among respondents to promote safe and affordable bank accounts. The survey asked respondent sites that had a banking partnership in the 2023 tax season how their partnership originated; how they assisted clients in opening bank accounts, including when, where, and how the sites offered assistance; and whether the sites expected to continue providing banking-related services in the future. The survey asked nonpartnered sites a shorter set of questions related to reasons the sites did not have a partnership. The following Sections 3 to 6 present the results of these survey questions, organized by main findings. Each section concludes with a brief summary.

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3.

Demand for Banking Services Exists at VITA Sites

The VITA survey explores the potential for VITA sites to facilitate economic-inclusion efforts. As an initial step in exploring this potential, the FDIC first examined whether VITA sites have an interest in offering banking services and whether sites can possibly provide the necessary staff. The level of demand for banking services and the willingness of sites to devote resources beyond tax-preparation services are necessary elements in determining whether VITA sites can further contribute to economic inclusion. This section explores the current and anticipated demand for banking services at sites with and without banking partnerships and the willingness of sites to offer financial services beyond core tax-return preparation. Overall, the VITA survey found both a high perceived demand for banking services and a willingness and ability among VITA sites to contribute to economic inclusion.

Partnered VITA Sites Identified Continued Demand for Banking Services

To explore whether the demand for banking services at VITA sites warrants investment in economic-inclusion initiatives, the FDIC first asked whether sites that help clients open bank accounts expect the demand for banking services to continue. If VITA sites have a persistent clientele—that is, they serve many of the same clients year after year—then the sites may not perceive a need to continue to provide banking services. Further, demand for banking services at VITA sites may diminish with the decreasing rate of unbanked households in the U.S. population.²⁴ Sites that planned to decrease their efforts in the upcoming tax season may have experienced or anticipated low demand, whereas sites that planned to increase their efforts may have expected demand to persist or increase.

²⁴ FDIC, *2021 FDIC National Survey of Unbanked and Underbanked Households* (Washington, DC: FDIC, October 2022), <https://www.fdic.gov/analysis/household-survey/2021report.pdf>.

To gauge these possibilities, the VITA survey first asked sites with banking partnerships (with either a bank or a credit union) in the 2023 tax-filing season whether they planned to increase, decrease, or maintain their efforts to bank clients in the upcoming 2024 tax-filing season. Table 3.1 summarizes site responses.

TABLE 3.1 Percent of Partnered Respondent Sites That Plan to Increase or Decrease Efforts to Help Clients Open Accounts in the 2024 Tax Season

Universe: Respondent Sites With Banking Partnerships That Will Be Open in 2024 (N = 98)

Planned Efforts	Percent Selected
Likely to increase efforts	65.3
Likely to keep efforts the same	28.6
Likely to decrease efforts	0.0
Do not know	6.1
No response	0.0
Total	100

Source: FDIC VITA Survey Question 16: “In next year’s tax season (2024), is it likely that this VITA site will increase or decrease its efforts to help clients open new checking or savings accounts?”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered respondent sites that indicated in Q14 that they would be open for the 2024 tax season received Q16. As a result, the sample of partnered sites that received Q16 included one less site than the sample for Q14.

Respondent sites with banking partnerships strongly indicated they plan either to expand or continue their efforts to help clients open accounts in the upcoming tax season. Specifically, most respondent sites with banking partnerships (65.3 percent) planned to increase their efforts to help clients open savings or checking accounts in the 2024 tax-filing season. No respondent VITA site with a banking partnership planned to decrease its banking efforts in 2024. The survey results suggest that partnered respondent sites expect the demand for banking services to increase in the upcoming 2024 tax-filing season.

To directly explore the level of demand VITA sites anticipate, a follow-up survey question asked sites why they planned to increase their banking efforts in the upcoming tax season. Table 3.2 shows most respondents (78.1 percent) cited “greater client demand or need.” Therefore, the majority of respondent VITA sites with banking partnerships in the 2023 tax-filing season planned to increase their efforts to bank clients in the upcoming tax-filing season because the sites anticipated greater demand and need for banking services.

TABLE 3.2 Reasons Partnered Respondent Sites Planned to Increase Efforts to Help Clients Open Accounts by Percentage

Universe: Respondent Sites With Banking Partnerships That Intend to Increase Efforts to Bank Clients (N = 64)

Reasons for Increased Effort	Percent Selected
Greater client demand or need for this service	78.1
Banking partner proposed or wanted this change	18.8
Other	17.2
Do not know	0.0
No response	1.6
Total	100

Source: FDIC VITA Survey Question 17: “Which of the following are reasons that this VITA site may increase its efforts to help clients open checking or savings accounts in next year’s tax season (2024)? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites that indicated in Q16 that they intended to increase their efforts to bank clients during the 2024 tax season received Q17.

Lack of Demand Was Not the Main Reason Nonpartnered Sites Chose Not to Have Banking Partnerships

Next, the FDIC examined whether nonpartnered sites perceived a demand for banking services. Sites without banking partnerships make up most (71.8 percent) of surveyed respondents; therefore, nonpartnered respondent sites may more closely reflect the composition of the true population of VITA sites. However, nonpartnered sites may not provide banking services because the populations they serve are not seeking them. To explore economic inclusion in the VITA setting, gauging demand at nonpartnered sites is particularly important because this type of site may represent most VITA sites.

To explore this question, the survey asked what nonpartnered sites considered to be the main barriers to partnering. The survey asked sites to select all barriers that may be preventing the sites from forming a banking partnership. Of particular interest is the response option “lack of demand.” Citing lack of demand as a barrier would strongly indicate site clients either already have or are not seeking bank accounts. However, not selecting “lack of demand” may indicate other barriers prevent nonpartnered sites from forming banking partnerships despite a perceived demand for banking services.

Of nonpartnered respondent sites, only 37.7 percent selected “lack of demand” as a barrier (see Figure 4.1 of the following section). Therefore, most nonpartnered respondent sites showed lack of demand was not a dominant driver for not providing banking services to their clients. Instead, three quarters of these sites selected at least one barrier related to knowledge, comfort, or resources.²⁵

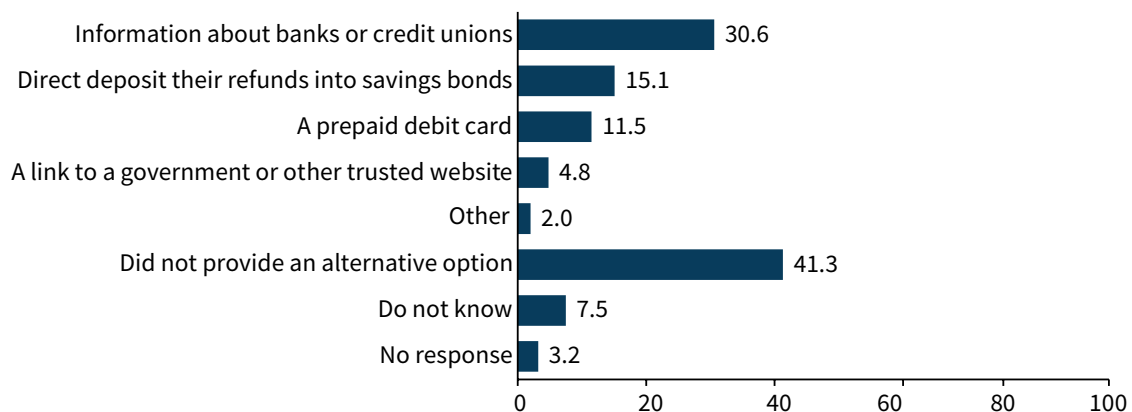
²⁵ Section 4 discusses the full set of responses in greater detail.

Another reason why nonpartnered VITA sites may not have a banking partnership is that these sites may be fulfilling the need among clients for banking services by using alternative options for facilitating receipt of refunds, such as prepaid debit cards. In fact, stakeholders often cited prepaid debit cards as an alternative to direct deposit in stakeholder outreach conversations the FDIC held when developing the survey instrument. VITA sites may believe using alternatives to direct deposit may preclude the need to provide assistance in the opening of bank accounts.

To explore whether sites fulfill the need for banking services with alternatives to direct deposit, the survey asked sites what alternatives to direct deposit they offered clients who were owed refunds. Figure 3.1 presents the responses of nonpartnered sites. Many nonpartnered respondent sites (41.3 percent) did not offer any alternatives to direct deposit—that is, if clients do not provide an account for direct deposit, they must receive their refund through a paper check. The next most common option was to provide clients with some information about banks or credit unions where clients could open an account on their own (30.6 percent). Only 11.5 percent of respondent sites without banking partnerships offered the option to set up and use a prepaid debit card for direct deposit, despite stakeholders frequently mentioning this option in outreach conversations. These results indicate unbanked clients who use nonpartnered respondent VITA sites may have no alternatives to direct deposit and must receive their refunds as a paper check, unless the clients take further action on their own.

FIGURE 3.1 Percent of Nonpartnered Respondent Sites Offering Bank Account Alternatives to Unbanked Clients

Universe: Respondent Sites Without Banking Partnerships (N = 252)



Source: FDIC VITA Survey Question 22: “In 2023, what option(s) did this VITA site provide clients who may have wanted to receive their refunds through direct deposit but who did not have a place to deposit the refund into? (Select all that apply.)”

Notes: A site is considered not to have a banking partnership if it answered “No” to Q4. Only nonpartnered sites received Q22. Some survey respondents selected the “Other” category and entered text responses that either represented available answer options or were unrelated to the question. In those instances, the FDIC removed the “Other” responses and reclassified these responses to correct answer options when appropriate.

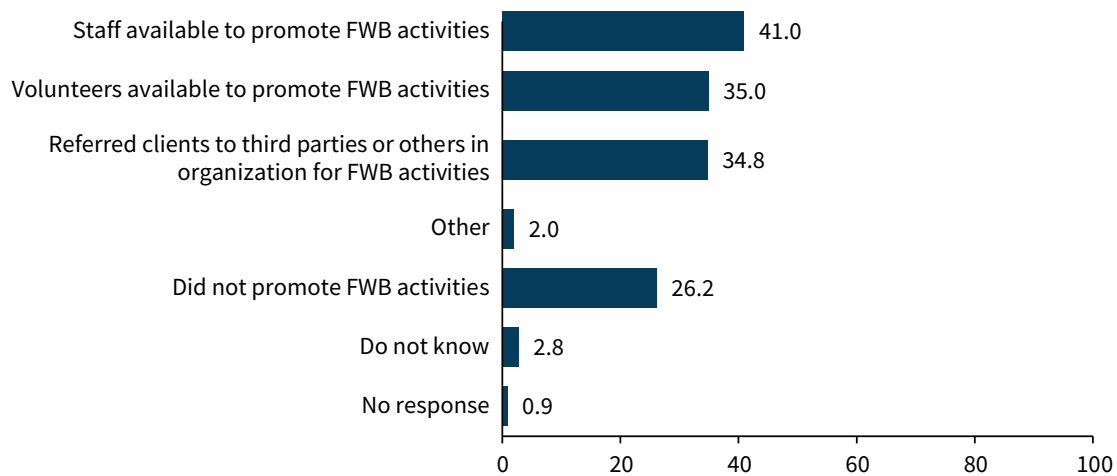
Both Partnered and Nonpartnered Sites Offered Financial Well-Being Services

If a VITA site allocates its resources toward financial well-being services, then it may welcome opportunities for economic inclusion. Sites may be particularly open to other economic-inclusion activities if they allocate their most valuable resources, staff, and volunteers toward FWB services. To identify such allocations, the survey asked all VITA sites whether they promoted the FWB of clients in addition to providing standard tax-preparation services. The question cited examples of FWB activities, including “encouragement to save refunds” and “financial counseling.”

Figure 3.2 summarizes the responses. The majority of surveyed sites engaged in some FWB activity, with respondent sites allocating staff or volunteer time to FWB initiatives. Figure 3.3 shows that even most non-partnered respondent sites engaged in some FWB activity (only 33.3 percent of nonpartnered sites did not engage in any FWB activities).

FIGURE 3.2 Percent of Respondent Sites That Promoted FWB Activities (in Addition to Tax Preparation)

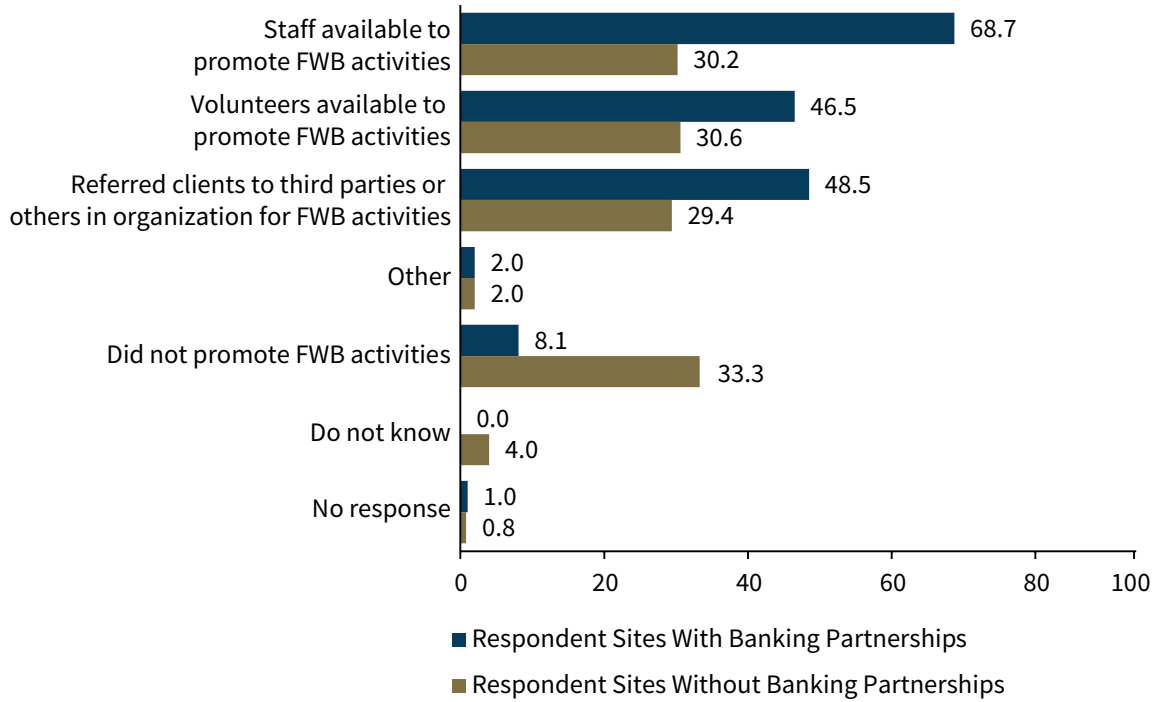
Universe: All Respondent Sites (N = 351)



Source: FDIC VITA Survey Question 3: “In 2023, in addition to tax preparation did this site also promote financial well-being for its clients (for example, through encouragement to save refunds or financial counseling) in any of the following ways? (Select all that apply.)”

FIGURE 3.3 Percent of Respondent Sites That Promoted FWB Activities (in Addition to Tax Preparation), by Banking Partnership

Universe: Respondent Sites With Banking Partnerships (N = 99) and Respondent Sites Without Banking Partnerships (N = 252)



Source: FDIC VITA Survey Question 3: “In 2023, in addition to tax preparation did this site also promote financial well-being for its clients (for example, through encouragement to save refunds or financial counseling) in any of the following ways? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4 and not to have a banking partnership if it answered “No” to Q4.

These results indicate surveyed sites considered FWB services valuable and proactively allocated their scarce resources to provide such services. Such willingness may transfer to interest in economic-inclusion initiatives. Further, the high rate of staff and volunteer participation in FWB activities could indicate human-touch resources are available at some sites to assist with the execution of other economic-inclusion initiatives. For examples of how some sites involved staff and volunteers in FWB activities, see the following Spotlight: VITA Sites and Financial Well-being Initiatives.



Spotlight: VITA Sites and Financial Well-being Initiatives[†]

Stakeholders and respondent sites interviewed before and after survey fielding provided examples of how they used staff and volunteers to promote the financial well-being (FWB) of their clients.

One VITA organization hired an on-site staff member to perform financial advocacy work at several of its sites. The staff member provided personalized encouragement to VITA clients who may have benefited from FWB guidance. For example, the financial advocate may have encouraged unbanked clients to open a bank account so that they could receive refunds through direct deposit. If clients indicated hesitancy, the financial advocate could respond to individual client concerns. The financial advocate informed clients, whose negative bank-account histories had prevented them from opening bank accounts, about the availability of second-chance bank accounts at a nearby bank. If a client was worried about not having enough funds to meet an account's minimum opening deposit, the financial advocate informed the client his or her tax refund would serve as his or her opening deposit. If a client was uncomfortable interacting with banks, the financial advocate could even walk the client to a nearby bank and assist in his or her interactions with bank employees. After a client opened a bank account, the financial advocate also provided further guidance on other streams of funds the client could obtain and deposit into the account.

At one organization, all of its VITA sites had volunteers dedicated solely to FWB activities. During volunteer recruitment, volunteers chose whether they wanted to help to prepare tax returns or to serve as “opportunity guides” and assist clients who could benefit from FWB opportunities. Site volunteers would then undergo training specific to their chosen roles. Opportunity guides, who were present on-site, typically helped during client intake or after the tax return was prepared. Using information collected during the intake, including the client's financial goals and needs, opportunity guides pointed clients toward local programs and services that could help them reach their goals and needs.

Another site indicated it provided clients with financial incentives to split their refunds partially into savings accounts. In other words, the site incentivized clients to place part of their refunds into a savings account rather than depositing the entire refund into a checking account or receiving the refund as a paper check. The site participated in various national and regional programs that provided funds to incentivize split refunds. The site reported that such programs were popular among clients and encouraged them to open savings accounts to qualify for incentives.

[†]The anecdotes highlighted in the Spotlight are shared with the permission of the stakeholders and respondent sites interviewed.

Summary

The survey results presented in this section indicate the VITA setting provides opportunities to implement economic-inclusion initiatives that enable unbanked households and individuals to access bank accounts and receive tax refunds via direct deposit. Specifically, the FDIC found both partnered and nonpartnered VITA sites perceive demand for banking services. Partnered respondent sites anticipate demand will continue or increase among their clients, and nonpartnered sites indicate lack of demand is not a major barrier to partnering.

Additionally, nonpartnered respondent sites do not offer unbanked clients many alternatives to the direct deposit of refunds. Because most VITA sites do not appear to have banking partnerships, many unbanked VITA clients who are served at nonpartnered sites most likely receive their refunds via paper checks.²⁶ Coupled with perceived client demand for banking services, the lack of viable alternatives to direct deposit demonstrates an opportunity to expand economic-inclusion efforts.

Finally, VITA sites are proactively allocating resources, including volunteer and staff time, to improve the FWB of their clients, which may indicate sites are willing and able to participate in economic-inclusion initiatives. Future economic-inclusion initiatives may build on existing volunteer and advocacy infrastructure among VITA sites to extend bank access and direct-deposit capabilities to unbanked households.

²⁶ See “Motivation for a Survey” in Section 1 for a discussion of the risks and costs associated with providing refunds via paper checks.



Form **W-8BEN**
(Rev. October 2021)

Form **W-9**
(Rev. October 2018)

Request

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

OMB No. 1545-0047

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the name of the person who is a child but not your dependent.

Your first name and middle initial		Last name		You	
If joint return, spouse's first name and middle initial		Last name		Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.	
City, town, or post office. If you have a foreign address, also complete spaces below.			State		ZIP code
Foreign country name			Foreign province/state/county		Foreign postal code
					Presidential Election Change Check here if you, or you and your spouse if filing jointly, want to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1958 Are blind Spouse: Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a
b	Household employee wages not reported on Form(s) W-2	1b
c	Tip income not reported on line 1a (see instructions)	1c
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e	Taxable dependent care benefits from Form 2441, line 26	1e
f	Employer-provided adoption benefits from Form 8839, line 29	1f
g	Wages from Form 8919, line 6	1g
h	Other earned income (see instructions)	1h
i	Nontaxable combat pay election (see instructions)	1i
z	Add lines 1a through 1h	1z
2a	Tax-exempt interest	2a
3a	Qualified dividends	3a
4a	IRA distributions	4a
5a	Pensions and annuities	5a
6a	Social security benefits	6a
b	Taxable interest	2b
b	Ordinary dividends	3b
b	Taxable amount	4b
b	Taxable amount	5b
b	Taxable amount	6b

Attach Sch. B if required.

Standard Deduction for—
• Single or

4.

Knowledge, Comfort, and Resource Barriers Prevent Nonpartnered Sites From Forming Partnerships

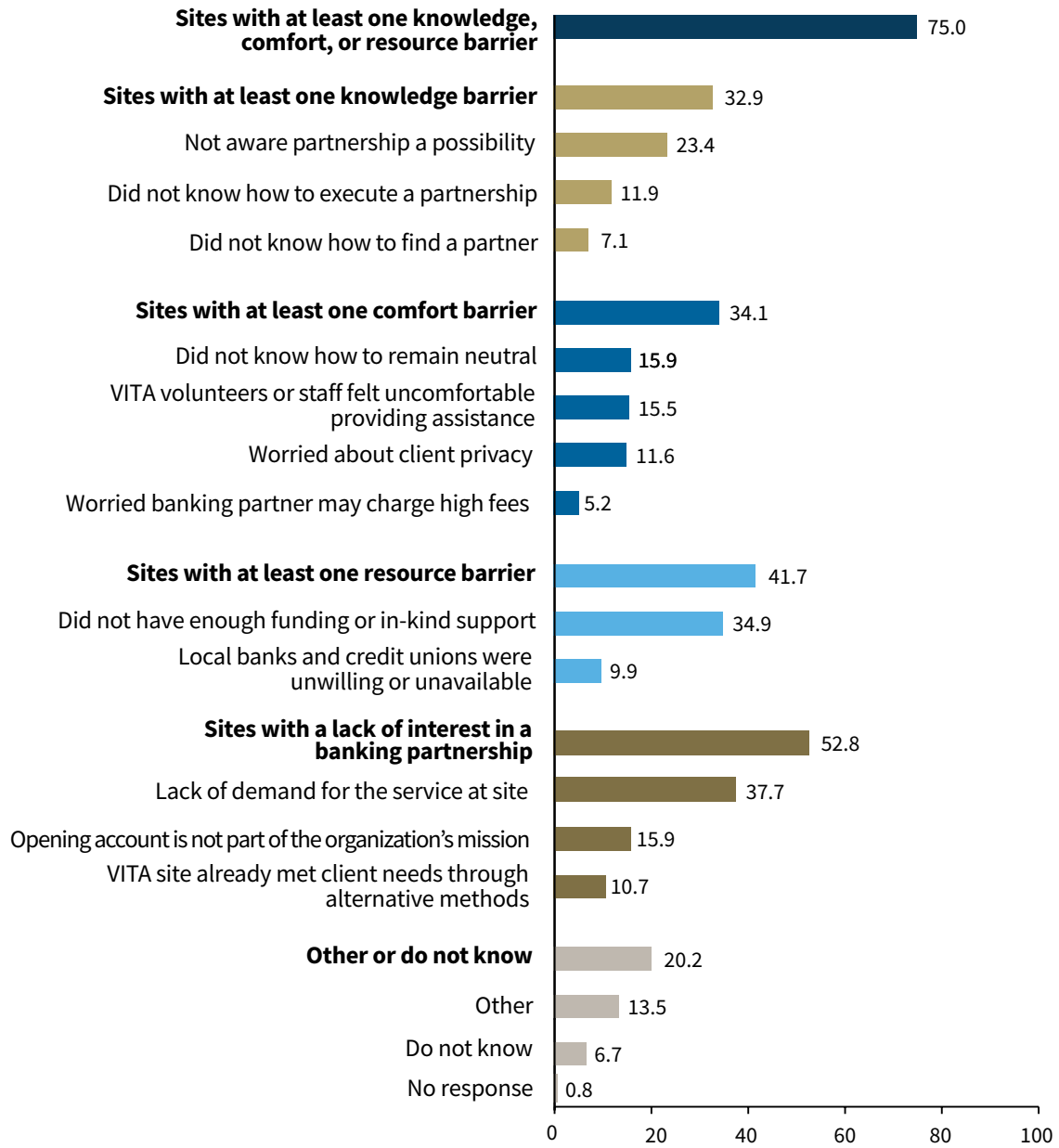
VITA sites may face barriers that prevent them from establishing banking partnerships, even if the sites' clients are receptive to assistance with opening accounts. Understanding these barriers can help stakeholders to determine whether such barriers are addressable. This section explores the barriers that prevent sites without banking partnerships from forming these partnerships.

In the survey, sites without banking partnerships were asked to select all applicable reasons why the sites did not partner with a bank or credit union. Figure 4.1 presents the summary of responses; the fairly long list of question options was developed from stakeholder feedback during the development of the survey instrument. The options can be grouped into four larger categories: knowledge barriers, comfort barriers, resource barriers, and a lack of interest. Overall, three quarters of respondent sites without banking partnerships indicated at least one knowledge, comfort, or resource barrier that impeded them from forming a banking partnership.²⁷

²⁷ This statistic includes all VITA site respondents without a banking partnership. The FDIC also considered the barriers faced only by nonpartnered VITA sites that also self-reported a demand for banking services. The FDIC found similar patterns between all nonpartnered sites and this subset. See Appendix Figure C1 for more details.

FIGURE 4.1 Reasons Nonpartnered Sites Were Not Partnered by Percentage

Universe: Respondent Sites Without Banking Partnerships (N = 252)



Source: FDIC VITA Survey Question 20: "There are different reasons why a VITA site might not partner with a bank or credit union. Which of the following are reasons why this VITA site did not partner with a bank or credit union in 2023? (Select all that apply.)"

Notes: A site is considered not to have a banking partnership if it answered "No" to Q4. Only nonpartnered sites received Q20.

Knowledge Barriers

Knowledge barriers can be any deficiencies in knowledge related to banking partnerships. Examples of knowledge barriers include a lack of awareness of the possibility for partnership, lack of knowledge of how to find a partner, and lack of knowledge of how to execute a banking partnership. A third of respondent sites without banking partnerships (32.9 percent) reported at least one knowledge barrier as a reason for not having a banking partnership. The most common knowledge barrier was a lack of awareness of the possibility for partnership: Almost one in four nonpartnered respondent sites (23.4 percent) reported not knowing about the option to form such a partnership.

Comfort Barriers

Some VITA sites may be aware of banking partnerships but feel uncomfortable engaging in one. An oft-cited reason for discomfort heard during the development of the survey instrument was not knowing how to remain neutral when guiding clients to a specific financial institution for banking services. In other words, some VITA sites were concerned that selecting a banking partner represented an endorsement of one financial institution over another. Another commonly mentioned discomfort was that of volunteers and staff who were sometimes resistant to or uncomfortable with performing activities outside of pure tax preparation.

A third of nonpartnered respondent sites (34.1 percent) reported at least one comfort barrier as a reason for not developing a banking partnership. As foreshadowed from stakeholder feedback, the top two cited comfort concerns were not knowing how to remain a neutral entity when establishing a banking partnership and VITA staff or volunteers not feeling comfortable providing banking assistance in their designated roles. In addition, some respondents expressed concerns that assisting clients in opening bank accounts with a banking partner may violate client-privacy rules.

Resource Barriers

Of respondent VITA sites without banking partnerships, 41.7 percent indicated that at least one resource barrier kept the site from establishing a banking partnership. In particular, respondents indicated they either did not have enough funding or in-kind support for banking services (34.9 percent) or they could not find a local financial institution willing or able to partner with them (9.9 percent). For example, in post-survey communications, some respondents noted that due to the nontraditional hours offered to clients at their VITA sites (for instance, night or weekend hours), local financial institutions were not able to provide employees as representatives to the sites. Other respondents shared that even if they had been approached by potential banking partners interested in on-site promotion, the physical space limitations of the sites would have made such an offer difficult to accept.

Lack of Interest in Banking Partnerships

Along with barriers, some sites indicated a lack of interest in establishing banking partnerships. Disinterest could be spurred on by a perception of a lack of demand for banking services. For example, the use of resources to establish a banking partnership may not appear warranted if most clients at the site are already banked. A little over half of nonpartnered respondent sites (52.8 percent) expressed some lack of interest in forming a banking partnership, with the most-cited reason being a lack of demand for banking services at their site (37.7 percent). Another reason cited for a lack of interest stemmed from a view that assisting clients in opening bank accounts was outside the scope of the mission of the VITA site or organization (15.9 percent), which is to provide free tax-preparation services. Last, some nonpartnered respondent sites reported that the site already met the needs of its unbanked clients by providing alternative methods for direct deposit (10.7 percent).

Summary

Three-quarters of nonpartnered respondent sites named at least one knowledge, comfort, or resource barrier as a reason for not forming a banking partnership.²⁸ For example, some nonpartnered respondent sites did not know that partnering was an option, while others expressed concerns about maintaining neutrality in directing clients to a particular institution and whether providing banking assistance violated client-privacy rules. And resource barriers, such as not having enough funding or in-kind support, were frequently reported. Nevertheless, over one-third of nonpartnered sites also cited lack of demand as the reason they did not have a banking partnership.

²⁸ Similar patterns in responses to the ones presented in this section were found when the analysis was conducted across census-tract demographic and county characteristics (see Appendix Table C2).



Form **W-8BEN**
(Rev. October 2021)

Form **W-9**
(Rev. October 2018)

Request

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

OMB No. 1545-0047

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the name of the person who is a child but not your dependent.

Your first name and middle initial		Last name		You	
If joint return, spouse's first name and middle initial		Last name		Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.	
City, town, or post office. If you have a foreign address, also complete spaces below.			State		ZIP code
Foreign country name			Foreign province/state/county		Foreign postal code
					Presidential Election Change Check here if you, or you and your spouse if filing jointly, want to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1958 Are blind Spouse: Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Check the box if qualifies for (see instructions): Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a
b	Household employee wages not reported on Form(s) W-2	1b
c	Tip income not reported on line 1a (see instructions)	1c
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e	Taxable dependent care benefits from Form 2441, line 26	1e
f	Employer-provided adoption benefits from Form 8839, line 29	1f
g	Wages from Form 8919, line 6	1g
h	Other earned income (see instructions)	1h
i	Nontaxable combat pay election (see instructions)	1i
z	Add lines 1a through 1h	1z
2a	Tax-exempt interest	2a
3a	Qualified dividends	3a
4a	IRA distributions	4a
5a	Pensions and annuities	5a
6a	Social security benefits	6a
b	Taxable interest	2b
b	Ordinary dividends	3b
b	Taxable amount	4b
b	Taxable amount	5b
b	Taxable amount	6b

Attach Sch. B if required.

Standard Deduction for—
• Single or

If you elect to use the lump-sum election method, check here (see instructions)



5.

Networking and Bank Initiative Helped Partnered Sites Form Partnerships, and Other Opportunities to Increase Inclusion

One goal of the VITA survey was to include partnered sites to explore ways in which sites formed partnerships, document the banking-related practices of partnered sites, and note sites' assessments of the usefulness of existing practices. This section presents the information collected from partnered respondent sites that provides insight on effective partnering strategies and identifies opportunities to increase economic-inclusion efforts at partnered sites.

Networking and Bank Initiative Helped VITA Sites Meet Their Banking Partners

VITA sites interested in helping clients to open savings or checking accounts must first partner with a bank or credit union. VITA sites may meet partners through the regular course of business (such as bank employees who volunteer at the VITA site, board-member relationships, or fundraising activities). Partnerships may also form through initiative taken on the part of the VITA organization or the financial institution. For instance, the VITA organization may proactively seek a partner by “cold-calling” an institution. Additionally, VITA organizations and financial institutions may meet at networking events (such as those provided by the Bank On coalition, community organization coalitions, a local FDIC Alliance for Economic Inclusion, or VITA coalitions).

To learn how banking partnerships were initiated, the survey asked sampled partnered VITA sites how they formed their banking partnerships. Figure 5.1 provides site responses. Nearly one-third (31.3 percent) of partnered respondent sites reported meeting a banking partner through an event or network, one-quarter (25.3 percent) reported the financial institution itself initiated contact, and a small share (6.1 percent) reported that the site itself initiated the partnership. Therefore, more than half of VITA partnerships were formed via initiative taken by either the site or the financial institution. Respondents also noted partnerships were formed as a result of other day-to-day activities. For example, close to one-third (30.3 percent) already had a relationship with their partner, and nearly one-fifth (19.2 percent) met through other activities, such as fundraisers or volunteer recruitment events.

FIGURE 5.1 Percent of Partnered Respondent Sites That Formed Partnerships via the Following Methods

Universe: Respondent Sites With Banking Partnerships (N = 99)



Source: FDIC VITA Survey Question 5: “How was the partnership with your partner bank(s) or credit union(s) formed? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites received Q5. Some survey respondents selected the “Other” category and entered text responses either associated with an existing answer option or unrelated to the question. In those instances, the “Other” responses were removed, and the correct answer option was assigned.

Partnered Sites Considered Certain Services More Useful Than Others in Increasing Direct Deposit

To learn which services VITA sites find useful to open bank accounts that increased use of direct deposit, the survey asked partnered respondent sites about the usefulness of on-site services, off-site services, and alternatives to banking partners. Table 5.1 presents the responses to this question. Majorities of partnered respondent sites found each on-site service “very useful.” The largest majority (70.8 percent) indicated that opening accounts with banking partners on-site using phones, virtual conferences, mobile apps, or paper forms was “very useful.”

TABLE 5.1 Percent of Partnered Respondent Sites That Indicated the Usefulness of Provided Services for the Goal of Increasing the Use of Direct Deposit

Universe: Respondent Sites With Banking Partnerships (N = 99)

Services	Number of sites	Very useful	Some-what useful	Not very useful	Do not know	No response	Total
On-Site Services	55						
Open account on-site with a banking partner through phone, virtual conference, mobile app, or paper form	24	70.8	25.0	0.0	4.2	0.0	100
Open account at the banking partner within which the VITA site was located	16	68.8	25.0	0.0	0.0	6.3	100
Open account on-site with banking partner employees	17	64.7	23.5	0.0	11.8	0.0	100
Off-Site Services	71						
Open account via a warm handoff referral to a banking partner	14	85.7	14.3	0.0	0.0	0.0	100
Open account by physically visiting a banking partner	44	52.3	38.6	2.3	6.8	0.0	100
Open account by calling, visiting a website, or downloading an app of a banking partner	35	42.9	40.0	8.6	8.6	0.0	100
Alternatives to Using Banking Partner	65						
Receive link to a government or other trusted website where clients could find and open an account on their own	13	84.6	7.7	7.7	0.0	0.0	100
Directly deposit refunds onto prepaid debit cards	21	81.0	14.3	0.0	0.0	4.8	100
Receive information about nonpartner banks or credit unions where clients could open an account on their own	37	45.9	37.8	5.4	8.1	2.7	100
Directly deposit refunds into savings bonds	23	30.4	34.8	34.8	0.0	0.0	100

Source: FDIC VITA Survey Question 13: “For increasing use of direct deposit, how useful do you believe is each of the following services offered by your VITA site? (Each row is for a different service offered at this site. Select one option per row.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites offering on-site account-opening methods in Q8, off-site account-opening methods in Q11, or other alternative account-opening methods in Q12 received Q13.

Of the off-site services partnered respondent sites offered, sites more often reported warm handoffs as a “very useful” method for increasing direct-deposit uptake. More than three-quarters (85.7 percent) of respondent sites that helped clients open accounts using warm handoff referrals found the practice “very useful.” In contrast, 52.3 percent of sites that directed clients to visit a partner bank noted this method was “very useful,” and 42.9 percent of sites that directed clients to contact a partner bank through a phone number, website, or app considered this method “very useful.”

Of the alternatives to on-site or off-site methods, partnered sites found that providing clients with government or other trusted website links through which the clients could find and open their own accounts as well as providing refunds on prepaid debit cards were the most useful services for increasing the use of direct deposit. Eighty-five percent of sites reported providing website links was “very useful” and 81.0 percent reported prepaid debit cards were “very useful.”

Opportunities Exist at Partnered Sites to Increase Inclusion

Make Use of Warm Handoffs for Off-Site Referrals to Banking Partners

Despite the comparative usefulness of warm handoffs presented above, only 19.7 percent of sites that sent clients off-site for banking services used this method (see Figure 2.4). Instead, partnered sites that may send clients off-site, but not with the use of warm handoffs, most often (61.8 percent) reported only providing physical addresses, phone numbers, websites, or apps.²⁹ Warm handoffs are, therefore, a practice that more VITA sites could adopt. Based on stakeholder feedback, methods for making off-site referrals to banking partners using warm handoffs include writing an email introducing a client to a banking-partner contact, arranging an appointment with a banking partner, and contacting the banking partner to prepare the institution for the arrival of a client.

Provide On-Site Account-Opening Assistance When Providing On-Site Tax-Preparation Assistance

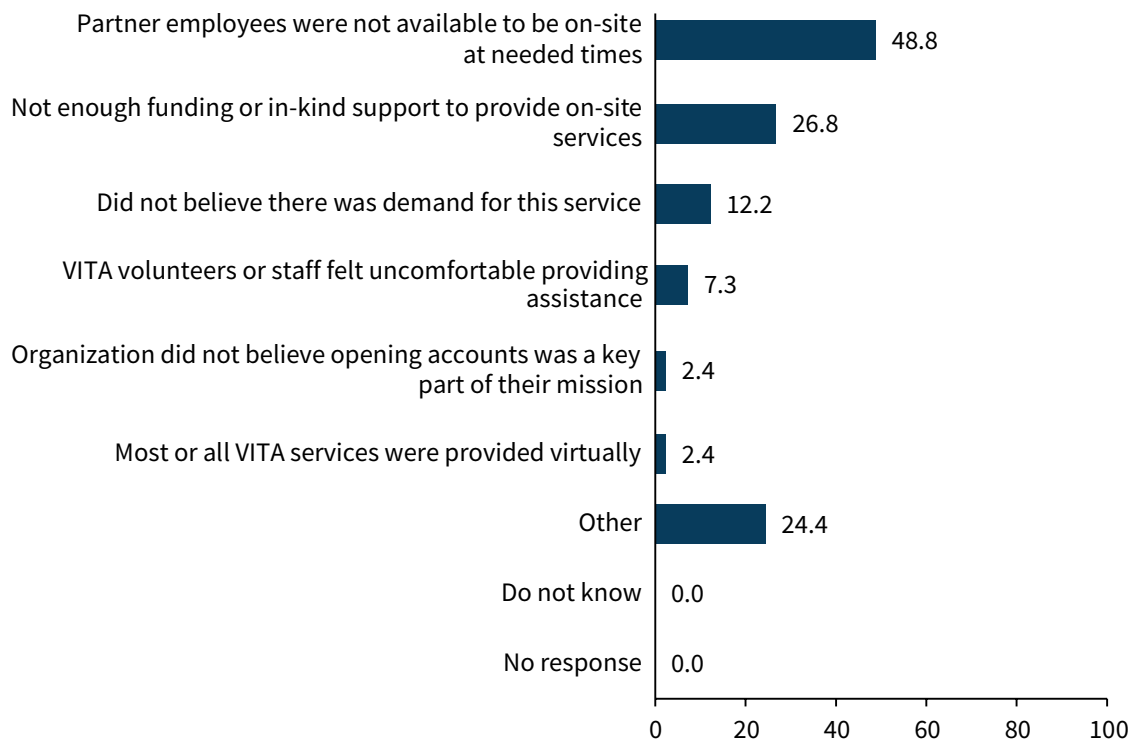
Although many partnered respondent sites provided clients with on-site tax-preparation delivery options (such as in-person or drop-off services), 41.4 percent (41 of 99 sites) did not correspondingly provide on-site options to open savings or checking accounts. Rather than starting or completing the account-opening process on-site with the assistance of VITA volunteers, staff, or partner-institution employees, clients had to take the initiative to travel off-site to obtain banking services. The additional effort required by off-site referrals may have discouraged some clients from following through with opening a bank account, which may be reflected in certain off-site methods less frequently considered “very useful” in Table 5.1.

²⁹ Using responses to Survey Question 11, this statistic was calculated from the 47 (of 76) partnered respondent sites that use the stated off-site methods to refer clients to banking partners but did not also use warm handoffs. See Figure 2.4 for a further breakdown of off-site account-opening methods and details on how the 76 sites that do or may use an off-site method were included.

As Figure 5.2 depicts, when asked about specific barriers that prevented sites from offering on-site account-opening assistance, almost half (48.8 percent) of partnered respondent sites that do not offer on-site assistance cited partner-bank employees were not available to be on-site at the times they were needed. More than one-quarter (26.8 percent) mentioned a lack of funding or in-kind support (such as time, people, or space) prevented them from providing on-site banking services. Therefore, resource constraints, either on the part of the banking partner or the VITA site, prevented partnered sites from providing clients with on-site account-opening assistance.

FIGURE 5.2 Reasons Partnered Respondent Sites Did Not Offer On-Site Account-Opening Assistance by Percentage

Universe: Respondent Sites, With Both Banking Partnerships and On-Site VITA Delivery Methods, That Did Not Offer On-Site Account Opening Assistance (N = 41)



Source: FDIC VITA Survey Question 9: “Which of the following were reasons your site did not offer an on-site option to open checking or savings accounts in 2023? (Select all that apply.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites that indicated in Q7 that the option to open a checking or savings account on-site with their banking partner was not available received Q9.

Offer Account-Opening Assistance, Even When Tax-Return Preparation Is Virtual

The survey asked partnered sites to identify for each tax-preparation delivery method (that is, in-person, drop-off, or virtual) at which step clients were informed about the availability of account-opening assistance (see Figure 2.2 for the steps in the VITA process). Table 5.2 shows the distribution of the total number of steps at which sites that offered the specific method would mention the option to open a savings or checking account. Partnered respondent sites most often mentioned the option to open a savings or checking account only once or twice in the tax-preparation process, regardless of the delivery method.

TABLE 5.2 Percent of Partnered Respondent Sites That Indicated the Number of Steps at Which to Open a Checking or Savings Account, by Tax-Preparation Delivery Method

Universe: Respondent Sites With Banking Partnerships (N = 99)^a

Number of Steps	In-Person	Drop-Off	Virtual
0	4.9	7.6	25.0
1	30.5	27.3	29.2
2	23.2	22.7	16.7
3	9.8	13.6	8.3
4	12.2	3.0	0.0
5	4.9	1.5	0.0
6	8.5	7.6	8.3
Do not know or no response	6.1	16.7	12.5
Total	100	100	100
Number of Sites	82	66	24

Source: FDIC VITA Survey Question 6: “In 2023, at what point(s) during the tax return preparation process were unbanked clients told that a partner bank or credit union was available to set up checking or savings accounts? (Each row is for a different VITA service model offered at this site. Select all that apply for each row.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites received Q6. Potential steps included “During marketing and outreach or appointment scheduling,” “During intake,” “While waiting or in the waiting area,” “During tax return preparation,” “During quality review,” or “After tax return completion.”

^aSites may use more than one tax-preparation delivery method.

Notably, some sites did not inform clients of the option to open a bank account when using certain tax-preparation delivery methods. Of the partnered respondent sites that offered virtual delivery methods, one in four (25.0 percent) did not mention bank-account opening assistance was available. In contrast, only 4.9 and 7.6 percent of respondent sites that provided in-person or drop-off services, respectively, did not mention the service.³⁰

Increase Site Knowledge of Whether Accounts Offered Are Safe and Affordable

VITA sites with banking partnerships assist clients in opening savings or checking accounts but may not necessarily be aware of the fees, features, or ease of accessibility of those accounts. Knowledge of the characteristics of the accounts being offered to a site's clients is important because the clients may be vulnerable to incurring fees that might deplete deposited funds and to the embarrassment of failing to open an account due to a negative banking history.

The FDIC developed a Model Safe Account Template, which provided the basis for the development of Bank On National Account Standards.³¹ The survey asked partnered VITA sites whether their banking partners offered VITA clients accounts that met Bank On National Account Standards as a proxy for safety and affordability. Only 41.4 percent of partnered respondent sites (41 of 99) confirmed they offered their clients such accounts, implying the remainder of the sites either did not offer these accounts or did not know whether the accounts offered met Bank On standards (see Table 6.1 in the following section). Therefore, even partnered sites may have the potential to increase the share of sites that offer bank accounts that are designed to meet the needs of low- and moderate-income clients.

³⁰ From pre-survey stakeholder feedback, some sites allowed a partner bank to set up a table in the vicinity of VITA operations but did not instruct the sites' volunteers to guide clients to the partner-bank table during the tax-preparation process.

³¹ Safe Accounts are electronic, debit-card-based accounts with low or no minimum balance requirements and low or no monthly fees. In addition, Safe Accounts are structured to eliminate the risk that households would incur overdraft fees or insufficient-fund fees. Bank On National Account Standards were developed by the nonprofit Cities for Financial Empowerment Fund. Since their adoption, hundreds of financial institutions have sought and received certification that an account they offered or had developed was consistent with the standards. Section 6 provides more context on Safe Accounts and adoption of Bank On standards.

Summary

This section investigates the experiences of partnered VITA sites to learn about successful avenues for forming partnerships and opportunities to increase economic inclusion. The results of the survey indicate that many VITA sites successfully formed partnerships by meeting their banking partners at events or networks and by financial institutions taking initiative. These findings suggest that additional opportunities for sites and potential banking partners to meet may be useful. Further, banking institutions may benefit from an increased understanding of the role of VITA sites and the potential benefits of forming partnerships.

Partnered sites were asked the on-site, off-site, and alternative methods used to assist in opening bank accounts that increased direct deposit. The practices respondent sites most frequently considered “very useful” include opening accounts on-site with the banking partner through a phone call, virtual conference, mobile app, or paper form; using a “warm handoff” to refer clients off-site to the partner; or alternatively, providing links to government or other trusted websites where clients could find and open their own accounts.

Information collected from partnered sites also revealed several opportunities to increase economic inclusion, even in the presence of an existing partnership. The survey found that although about 86 percent of sites that used warm handoffs to execute off-site banking partner referrals found this practice “very useful,” only 20 percent of sites that used off-site referrals did so via warm handoffs. Further, two in five partnered sites that provided on-site tax-preparation services did not correspondingly provide on-site account-opening assistance, citing multiple resource barriers that prevented the sites from offering the service. And one in four sites that provided tax-preparation services virtually did not share information with virtual clients about the opportunity to receive assistance for opening accounts. Last, only two in five partnered sites confirmed that the accounts partner institutions offered met Bank On National Account Standards, revealing an opportunity for VITA sites to ensure that the accounts the sites offer to clients better meet their specific needs.



Form **W-8BEN**
(Rev. October 2021)

Form **W-9**
(Rev. October 2018)

Request

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

OMB No. 1545-0047

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the name of the person who is a child but not your dependent.

Your first name and middle initial		Last name		You	
If joint return, spouse's first name and middle initial		Last name		Spouse's social security number	
Home address (number and street). If you have a P.O. box, see instructions.				Apt. no.	
City, town, or post office. If you have a foreign address, also complete spaces below.			State		ZIP code
Foreign country name			Foreign province/state/county		Foreign postal code
Presidential Election Change. Check here if you, or you and your spouse if filing jointly, want to go to this fund. Checking a box below will not change your tax or refund. <input type="checkbox"/> You <input type="checkbox"/> Spouse					

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1958 Are blind Spouse: Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld. If you did not get a Form W-2, see instructions.

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a
b	Household employee wages not reported on Form(s) W-2	1b
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d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e	Taxable dependent care benefits from Form 2441, line 26	1e
f	Employer-provided adoption benefits from Form 8839, line 29	1f
g	Wages from Form 8919, line 6	1g
h	Other earned income (see instructions)	1h
i	Nontaxable combat pay election (see instructions)	1i
z	Add lines 1a through 1h	1z
2a	Tax-exempt interest	2a
3a	Qualified dividends	3a
4a	IRA distributions	4a
5a	Pensions and annuities	5a
6a	Social security benefits	6a
b	Taxable interest	2b
b	Ordinary dividends	3b
b	Taxable amount	4b
b	Taxable amount	5b
b	Taxable amount	6b

Attach Sch. B if required.

Standard Deduction for—
• Single or

If you elect to use the lump-sum election method, check here (see instructions)

6.

VITA Sites Are Willing to Connect Clients to Safe Accounts

Regardless of whether they have a banking partnership, VITA sites may be interested in providing information related to safe and affordable accounts, or “Safe Accounts,” to their clients. Nonpartnered sites may be more open to offering Safe Accounts to clients if the protections offered guarantee clients will receive their refunds in full (without the risk of fees) and minimize possible future negative banking experiences. Partnered sites may also be interested in offering bank accounts that protect their clients from the risk of possible rejection from their current banking partner. This section assesses the willingness of VITA sites to engage in activities with varying degrees of resource intensiveness related to the promotion of Safe Accounts.

What Are Safe Accounts?

Safe Accounts are bank or credit union accounts that protect account holders from excessive fees. Safe Accounts are typically designed to be accessible to those with negative banking histories. Many unbanked households may not have the financial stability to open and maintain traditional checking or savings accounts or may distrust financial institutions.³² To address these concerns, the FDIC has long encouraged the development of safe and affordable products to promote financial inclusion. In particular, in 2011, the FDIC conducted a Model Safe Accounts pilot, establishing guidelines for offering low-cost and accessible transactional and savings products to underserved consumers.³³

³² FDIC, *2021 FDIC National Survey of Unbanked and Underbanked Households* (Washington, DC: FDIC, October 2022). See Figure ES.3.

³³ FDIC, *FDIC Model Safe Accounts Pilot Final Report* (Washington, DC: FDIC, April 2012); FDIC, *FDIC Model Safe Accounts Template* (Washington, DC: FDIC, April 2012).

Following the pilot, local coalitions of banks and credit unions, public agencies, and nonprofit organizations coalesced around a consistent set of standards patterned off the FDIC model, known as Bank On National Account Standards.³⁴ Like the FDIC’s Safe Accounts, Bank On certified accounts have the goal of emphasizing financially-inclusive features and accessibility. These accounts are either federally-insured checking accounts or institution-managed prepaid cards that require small or no minimum opening deposits. The accounts also do not have insufficient-fund overdraft fees or fees associated with general maintenance, such as activation, dormancy, or low-balance fees. Further, providers are encouraged to only deny consumers the ability to open a Bank On account if they have engaged in fraud in the past.³⁵

In 2023, at least 340 FDIC-insured institutions offered accounts certified as meeting Bank On National Account standards.³⁶ Analysts at the Federal Reserve Bank of St. Louis reported that in 2022, more than 17 million Bank On accounts were opened across 87 percent of U.S. zip codes, with more than \$120 billion deposited into these accounts.³⁷

Safe Accounts, including Bank On certified accounts, promote economic inclusion by reducing access barriers to opening an account for consumers. Given the widespread recognition of the Bank On certification, the VITA survey asked VITA sites questions related to Bank On certified accounts as a proxy for their willingness to engage with Safe Accounts.

VITA Sites Are Willing to Promote Bank On Accounts

The VITA survey asked VITA sites about their willingness to engage in Bank On-related activities and presented three levels of resource intensity. The survey first asked sites whether they would be willing to provide clients with a website link to look up financial institutions in their areas that offer Bank On accounts. Next the survey asked sites whether they would be willing to provide their clients with a list of institutions in their areas that offer Bank On accounts. Finally, the survey asked sites whether they would be willing to partner with an institution that offers Bank On accounts. Both partnered and nonpartnered sites were asked these questions; the results are presented in Tables 6.1 to 6.4.

³⁴ The Cities for Financial Empowerment Fund developed the Bank On National Account Standards in collaboration with the Bank On National Advisory Board and other stakeholders. For more information about the standards, see Cities for Financial Empowerment Fund, *Bank on National Account Standards (2023 – 2024)* (New York, NY: Cities for Financial Empowerment Fund, August 2022).

³⁵ Typically, when a consumer seeks to open a new bank account, she or he must go through an account-screening process, such as via ChexSystems or Early Warning Services. These services collect information from financial institutions about transaction-account openings and closures, including reasons why accounts were closed and instances of fraud or identity theft. Failure to pass these checks may lead to banks rejecting the opening of an account. For more information, see Consumer Finance Protection Bureau, *Helping consumers who have been denied checking accounts* (Washington, DC: CFPB, February 2016), https://files.consumerfinance.gov/f/201602_cfpb_helping-consumers-who-have-been-denied-checking-accounts.pdf.

³⁶ The number of FDIC-insured institutions was calculated by the FDIC using 2023 Q4 Call Report data and a list of all institutions offering Bank On certified accounts provided by the Cities for Financial Empowerment Fund.

³⁷ Violeta Gutkowski and Lisa J. Locke, “Bank On National Data Hub: Findings from 2022,” Federal Reserve Bank of St. Louis, November 8, 2023, <https://www.stlouisfed.org/community-development/bank-on-national-data-hub/bank-on-report-2022>.

Partnered Sites

Sites with banking partnerships already provide account-opening assistance to clients; however, the banking partner may not offer Safe Accounts. In fact, some survey respondents indicated they were planning to add or change banking partners in the upcoming 2024 tax-filing season to provide clients with a Bank On account option or to find partners that could better cater to VITA client needs. Other partnered sites may be open to providing clients with a larger set of banking options, especially if some of these options meet Safe Account guidelines.

Table 6.1 presents the responses of partnered sites. Despite already having a banking partnership, respondent sites were quite receptive to promoting Bank On accounts to clients. More than half of partnered respondent sites were willing to provide clients with a website link to look up local banks and credit unions that provide Bank On accounts (57.6 percent) or to provide a list of local institutions that offer such accounts (64.6 percent). Another 18.2 and 19.2 percent, respectively, of partnered respondent sites reported already engaging in these two activities. Additionally, of partnered sites, 40.4 percent were willing to partner with a financial institution that offered such accounts, while another 41.4 percent already did so.³⁸ Altogether, substantial majorities of partnered sites were willing to engage in, or already participated in, all three activities. Partnered respondent sites appeared only slightly more likely to be willing to provide a list of local institutions that offered Bank On accounts, rather than providing a Bank On website link.

TABLE 6.1 Percent of Partnered Respondent Sites Willing to Adopt Bank On Initiatives

Universe: Respondent Sites With Banking Partnerships (N = 99)

Willingness	Provide website link for Bank On account providers	Provide list of local Bank On account providers	Partner with Bank On account providers
Willing to do this	57.6	64.6	40.4
Already do this	18.2	19.2	41.4
Not willing to do this	7.1	5.1	6.1
Do not know	14.1	9.1	11.1
No response	3.0	2.0	1.0
Total	100	100	100

Source: FDIC VITA Survey Question 19: “Bank On accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no or limited monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities. Does this VITA site already do the following, or is it willing to do the following, related to Bank On accounts? (Select one option per row.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites received Q19.

³⁸ Partnered VITA sites that did not already partner with a financial institution that offered Bank On certified products were not asked whether the products offered by the sites’ banking partners aligned with the FDIC’s Safe Account guidelines. Therefore, products they offer may also contain Safe Account features.

Table 6.2 further explores the activity that requires the greatest resource intensity—the willingness of partnered sites to partner with institutions that offer Bank On accounts. Here, the table disaggregates sites by the demographics of the U.S. Census tract and county in which the site is located. The patterns in Table 6.2 are similar to those in Table 6.1. Large majorities of sites, whether disaggregated by tract majority race or ethnicity (or High Share Native American) or by county Metropolitan Statistical Area (MSA) status, were either willing to or already partnered with an institution that offered Bank On accounts. For partnered VITA sites located in majority Hispanic census tracts, 50.0 percent were willing to partner with a Bank On institution, while another 35.0 percent already did so. For sites located in majority Black census tracts, the figures were 34.8 and 43.5 percent, respectively.

TABLE 6.2 Percent of Partnered Respondent Sites Willing to Partner With an Institution That Offered Bank On Accounts, by Characteristic of Site Location

Universe: Respondent Sites With Banking Partnerships (N = 99)

Willingness to Partner	In Universe	In Census Tract That Is						In County That Is In	
		Majority				High Share Native American	Other	MSA	Non-MSA
		Hispanic	Asian	Black	White				
Willing to do this	40.4	50.0	50.0	34.8	40.0	33.3	33.3	44.3	25.0
Already do this	41.4	35.0	50.0	43.5	40.0	66.7	66.7	36.7	60.0
Not willing to do this	6.1	5.0	0.0	4.3	6.7	0.0	0.0	6.3	5.0
Do not know	11.1	10.0	0.0	13.0	13.3	0.0	0.0	11.4	10.0
No response	1.0	0.0	0.0	4.4	0.0	0.0	0.0	1.3	0.0
Total	100	100	100	100	100	100	100	100	100
Number of Sites	99	20	2	23	60	3	6	79	20

Sources: US Census Bureau’s “2020 Census Demographic Profile” and FDIC VITA Survey Question 19: “Bank On accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no or limited monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities. Does this VITA site already do the following, or is it willing to do the following, related to Bank On accounts? (Select one option per row.)”

Notes: A site is considered to have a banking partnership if it answered “Yes” to Q4. Only partnered sites received Q19.

A census tract designated as having a “Majority” is a tract with at least 50 percent of its population in the given racial or ethnic category. Respondents may be included in more than one census tract designation because: (1) the Hispanic ethnicity is distinct from characterization by race; (2) the tract is evenly split between two racial categories; or (3) a “High Share Native American” tract may comprise a majority of another race or ethnicity. High Share Native American Census tracts are those with at least 15 percent of its population categorized as American Indian or Alaskan Natives. “Other” Census tracts are those with no majority in the other characterizations shown. Population statistics come from the 2020 Census Demographic Profile. For more information see: <https://www.census.gov/data/tables/2023/dec/2020-census-demographic-profile.html>.

A Metropolitan Statistical Area (MSA) is defined as an area composed of one or more counties containing a population of 50,000 or more people. A non-MSA is either a micropolitan area, which is an area that comprises one or more counties that contain a population between 10,000 and 49,999 people, or an area with a population of fewer than 10,000 people. MSA and non-MSA classifications are derived from the March 2020 designations by the Census Bureau. For more information see: <https://www.census.gov/geographies/reference-files/time-series/demo/metro-micro/historical-delineation-files.html>.

Nonpartnered Sites

The opportunity to expand Bank On-related efforts at nonpartnered sites may be greater, simply because they are not already engaged in such initiatives. Alternatively, these sites may face barriers that make them less willing or able to bear the costs that are necessary to engage. Table 6.3 presents the responses of nonpartnered VITA sites and their willingness to engage in Bank On-related efforts with varying levels of resource intensity.

TABLE 6.3 Percent of Nonpartnered Respondent Sites Willing to Partner With a Bank That Offered Bank On Accounts

Universe: Respondent Sites Without Banking Partnerships (N = 252)

Willingness	Provide website link for Bank On account providers	Provide list of local Bank On account providers	Partner with Bank On account providers
Willing to do this	60.7	65.9	50.8
Already do this	5.6	6.3	1.6 ³⁹
Not willing to do this	13.9	8.7	14.7
Do not know	16.7	16.3	31.3
No response	3.2	2.8	1.6
Total	100	100	100

Source: FDIC VITA Survey Question 23: “Bank On accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no (or limited) monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities. Does this VITA site already do the following, or is it willing to do the following, related to Bank On accounts? (Select one option per row.)”

Notes: A site is considered not to have a banking partnership if it answered “No” to Q4. Only nonpartnered sites received Q23.

³⁹ By definition, nonpartnered sites should not report that they partner with an institution that offers a Bank On account. However, Table 6.3 shows that 1.6 percent of nonpartnered sites chose this option. For most of these nonpartnered respondent sites, the program directors also managed other sites not included in the survey sample that had active bank partnerships, which may have contributed to these errors.

The percentage of nonpartnered respondent sites that were willing to provide clients with a Bank On website link was 60.7 percent, and the share willing to provide a list of local institutions that offered Bank On accounts was 65.9 percent. These results provide evidence that nonpartnered VITA sites are potentially very receptive to engaging in low-resource efforts to promote Safe Accounts. Of these nonpartnered sites, more than half (50.8 percent) were also willing to partner directly with an institution that offers Bank On accounts. Because most VITA sites appear to not partner with financial institutions, the potential to engage nonpartnered sites in Bank On-related efforts of varying resource intensity appears substantial.

Importantly, compared to partnered sites, nonpartnered sites were more likely to respond with “do not know” to the question when presented with the lower-effort activities of providing a Bank On website link (16.7 percent) or providing a list of local Bank On institutions (16.3 percent) or the higher-resource activity of directly partnering with a Bank On institution (31.3 percent). These “do not know” responses potentially indicate that these nonpartnered respondent sites are more ambivalent toward activities in which the sites were not already engaged.

Exploring the activity requiring the greatest resource intensity—willingness to partner with an institution that offered Bank On accounts—sizable shares of nonpartnered respondent sites were willing to do so when disaggregated by the demographics of the census tract and county in which the site was located. Table 6.4 shows particularly for nonpartnered sites located in majority Black census tracts, majorities (65.9 percent) were willing to partner. In contrast, lower shares (39.6 and 44.4 percent, respectively) of sites located in majority Hispanic and High Share Native American tracts were willing to partner, with similarly-sized shares (43.4 and 44.4 percent, respectively) of these sites answering “do not know” to the question, potentially indicating ambivalence towards these activities.

TABLE 6.4 Percent of Nonpartnered Respondent Sites Willing to Partner With an Institution That Offered Bank On Accounts, by Characteristic of Site Location

Universe: Respondent Sites Without Banking Partnerships (N = 252)

Willingness to Partner	In Universe	In Census Tract That Is						In County That Is In	
		Majority				High Share Native American	Other	MSA	Non-MSA
		Hispanic	Asian	Black	White				
Willing to do this	50.8	39.6	75.0	65.9	45.9	44.4	83.3	53.0	43.3
Already do this	1.6	0.0	0.0	2.3	1.8	11.1	0.0	2.2	0.0
Not willing to do this	14.7	15.1	0.0	9.1	17.6	0.0	0.0	15.8	11.9
Do not know	31.3	43.4	25.0	20.5	33.5	44.4	0.0	27.3	43.3
No response	1.6	1.9	0.0	2.3	1.2	0.0	16.7	1.6	1.5
Total	100	100	100	100	100	100	100	100	100
Number of Sites	252	53	4	44	170	18	6	183	67

Sources: US Census Bureau’s “2020 Census Demographic Profile” and FDIC VITA Survey Question 23: “Bank On accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no or limited monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities. Does this VITA site already do the following, or is it willing to do the following, related to Bank On accounts? (Select one option per row.)”

Notes: A site is considered not to have a banking partnership if it answered “No” to Q4. Only nonpartnered sites received Q23. Two nonpartnered VITA sites indicated they delivered only virtual services. Because their service areas may encompass multiple geographic areas, the analyses exclude the demographic and geographic classifications of these two VITA sites.

A census tract designated as having a “Majority” is a tract with at least 50 percent of its population in the given racial or ethnic category. Respondents may be included in more than one census tract designation because: (1) the Hispanic ethnicity is distinct from characterization by race; (2) the tract is evenly split between two racial categories; or (3) a “High Share Native American” tract may comprise a majority of another race or ethnicity. High Share Native American Census tracts are those with at least 15 percent of its population categorized as American Indian or Alaskan Natives. “Other” Census tracts are those with no majority in the other characterizations shown. Population statistics come from the 2020 Census Demographic Profile. For more information see: <https://www.census.gov/data/tables/2023/dec/2020-census-demographic-profile.html>.

A Metropolitan Statistical Area (MSA) is defined as an area composed of one or more counties containing a population of 50,000 or more people. A non-MSA is either a micropolitan area, which is an area that comprises one or more counties that contain a population between 10,000 and 49,999 people, or an area with a population of fewer than 10,000 people. MSA and non-MSA classifications are derived from the March 2020 designations by the Census Bureau. For more information see: <https://www.census.gov/geographies/reference-files/time-series/demo/metro-micro/historical-delineation-files.html>.

Summary

The findings in this section indicate significant opportunity to increase economic inclusion at both partnered and nonpartnered VITA sites through Bank On-related efforts of varying resource intensity. A majority of partnered respondent sites are still willing to provide clients a Bank On website or a list of local institutions that offer Bank On accounts, and two in five are willing to have a future partnership with a Bank On institution. Nonpartnered respondent sites show a similar willingness to engage in all three levels of Bank On-related activity.

Because most VITA sites appear to not have established partnerships, the results suggest that substantial opportunities may exist to increase economic inclusion at VITA sites through Bank On accounts. Nonpartnered respondent sites located in majority Black census tracts appear particularly receptive to partnerships with Bank On institutions. However, while a substantial share of nonpartnered respondent sites located in majority Hispanic and High Share Native American tracts were willing to partner, similarly-sized shares responded with “do not know” to the question, which may reveal an ambivalence by these sites to partner with financial institutions.



Form **W-8BEN**
(Rev. October 2021)

Form **W-9**
(Rev. October 2018)

Request

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

OMB No. 1545-0047

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the name of the person who is a child but not your dependent.

Your first name and middle initial _____ Last name _____ You _____
If joint return, spouse's first name and middle initial _____ Last name _____ Spouse's social security number _____
Home address (number and street). If you have a P.O. box, see instructions. Apt. no. _____ Presidential Election year _____
City, town, or post office. If you have a foreign address, also complete spaces below. State _____ ZIP code _____ Check here if you, or your spouse if filing jointly, want to go to this fund. Checking a box below will not change your tax or refund.
Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____ You Spouse

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a
b	Household employee wages not reported on Form(s) W-2	1b
c	Tip income not reported on line 1a (see instructions)	1c
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e	Taxable dependent care benefits from Form 2441, line 26	1e
f	Employer-provided adoption benefits from Form 8839, line 29	1f
g	Wages from Form 8919, line 6	1g
h	Other earned income (see instructions)	1h
i	Nontaxable combat pay election (see instructions)	1i
z	Add lines 1a through 1h	1z
2a	Tax-exempt interest	2a
3a	Qualified dividends	3a
4a	IRA distributions	4a
5a	Pensions and annuities	5a
6a	Social security benefits	6a
b	Taxable interest	2b
b	Ordinary dividends	3b
b	Taxable amount	4b
b	Taxable amount	5b
b	Taxable amount	6b

Attach Sch. B if required.

Standard Deduction for—
• Single or



7.

Conclusions and Implications

The FDIC Survey of VITA Providers, which the FDIC fielded shortly after the 2023 tax season, explored new opportunities to increase economic inclusion in the banking system. VITA sites provide free tax-preparation services to lower-income households—households disproportionately likely to be unbanked—when they may benefit from having a bank account to direct deposit their tax credits or refunds. Despite the unique context of VITA sites, little information exists on site efforts to help unbanked households open bank accounts. The FDIC endeavored to gather information directly from VITA sites through the VITA survey. The survey received responses from 351 sites located in 49 of the 50 states, yielding a 72 percent response rate. In particular, the survey intentionally examined how partnered sites provided banking services and documented the barriers that prevented nonpartnered sites from partnering.

The survey results first showed that both partnered and nonpartnered VITA sites perceived a demand for banking services. Partnered respondent sites anticipated client demand would continue or increase, and nonpartnered sites indicated lack of demand was not a major barrier to partnering. Additionally, nonpartnered respondent sites did not offer unbanked clients many alternatives, such as prepaid debit cards, to direct deposit of refunds. Because most VITA sites appear to be nonpartnered, many unbanked VITA clients likely receive their refunds via paper checks. Survey findings also showed that both partnered and nonpartnered respondent VITA sites were proactively allocating resources, including volunteer and staff time, to financial well-being activities other than tax preparation. The existing allocation of resources indicates sites may be willing to participate in other economic-inclusion initiatives, making VITA sites potentially promising locations for the opening of bank accounts by unbanked households.

The survey also revealed that three-quarters of nonpartnered respondent sites named at least one knowledge, comfort, or resource barrier as a reason for not forming a banking partnership. An example of a knowledge barrier is that almost one in four nonpartnered respondent sites reported not knowing that partnering was an option. Nonpartnered respondents also cited comfort barriers, including concerns about neutrality in directing clients to a particular institution and whether providing banking assistance violated client privacy rules. And respondent sites identified resource barriers, such as insufficient funding or in-kind support for banking services or the lack of an available partner.

The survey found that many partnered respondent VITA sites formed banking partnerships through events or networks, or by financial institutions taking initiative. Partnered VITA sites also verified the practices used to implement banking services and assessed the usefulness of these methods. The practices that sites considered “very useful” include opening accounts on-site with the banking partner through a phone call, virtual conference, mobile app, or paper form; referring clients off-site using a “warm handoff” to the partner; or alternatively, providing links to government or other trusted websites where clients could find and open their own accounts.

Partnered sites also revealed other opportunities to increase inclusion. For instance, although most partnered respondent sites that used warm handoffs found the practice “very useful,” only one in five respondent sites that provided off-site referrals did so via warm handoffs. Further, two in five partnered respondent sites that provided on-site tax-preparation services did not also provide on-site account-opening assistance. Additionally, partnered respondent sites most often told clients about the option to receive banking services at only one or two steps in the six-step tax-preparation process. Indeed, one in four partnered respondent sites that provided virtual tax-preparation services did not tell virtual clients they could receive assistance opening accounts at any stage of the process. Last, only two in five partnered respondent sites confirmed that the accounts partner institutions offered met Bank On National Standards guidelines.

The survey asked VITA sites questions about Bank On-related efforts of varying resource intensity as a proxy to gauge the willingness of sites to engage with Safe Accounts. The majority of partnered respondent sites were willing to provide clients a website link to identify local banks or credit unions that provide Bank On accounts, or a list of local institutions that offered such accounts, and two in five sites were willing to partner with a Bank On institution in the future. Nonpartnered respondent sites showed a similar willingness to engage in the three levels of Bank On-related activity the survey presented. Nonpartnered respondent sites located in majority Black census tracts appeared particularly receptive to partnering with Bank On institutions. Although substantial shares of nonpartnered respondent sites located in majority Hispanic and High Share Native American tracts were willing to partner when asked, similar shares also responded with “do not know.” These survey responses may indicate that sites in majority Hispanic and High Share Native American tracts have some ambivalence about partnering with financial institutions.

The findings from the VITA survey summarized above lead to three broad implications for stakeholders interested in increasing economic inclusion through access to bank accounts at VITA sites.

Implication 1: VITA sites open to partnership would benefit from efforts to connect the sites with potential partners—especially, partners that provide safe and affordable banking products.

- Networking events can promote partnerships between banks and VITA organizations.
- Banks can be informed of the role of VITA sites and consider the benefits of initiating partnerships.
- VITA sites can confirm that current or potential partner institutions provide safe and affordable accounts, such as accounts that meet Bank On National Account Standards.



Spotlight: Bank On Partnerships as a Stepping Stone for Financial Inclusion[†]

One site indicated in the survey that it planned to change its banking partnership in the 2024 tax-filing season. In a postsurvey interview, the site program director elaborated that the site was soliciting banking partnerships from its local Bank On coalition. The director shared that a key aspect of soliciting banking partnerships from members of the Bank On coalition was the reassurance that these banks offered safe and affordable accounts even for clients with previous negative banking histories.

In addition, the program director requested that potential banking partners present explicit paths to long-term “banking relationships” between the partner and the site’s VITA clients. The director considered the initial Bank On account a “stepping stone” that could allow clients to graduate over time to more beneficial financial products (for example, credit-building products and auto and home loans).

[†]The anecdote highlighted in the Spotlight is shared with the permission of the respondent site interviewed.

Almost a third of partnered respondent VITA sites met their partners through an event or a network. Networking events may benefit VITA sites by helping them to find a suitable partner and may help sites partner with multiple institutions to provide clients with more options and diversify the availability of bank employees that provide on-site assistance. Events involving Bank On coalitions may be particularly helpful for VITA sites because coalition members may already be certified to provide accounts that meet Safe Account guidelines.

The survey also found that banking partners initiated a quarter of partnered respondent site partnerships. The survey results indicate that financial institutions may benefit from understanding the unique role VITA sites play in providing free tax-preparation services. VITA sites provide financial institutions an opportunity to provide bank accounts to unbanked households that will likely receive lump-sum tax credits or refunds after receiving VITA services. In addition to potentially developing new customers, partnering with VITA sites could make certain financial institutions eligible for favorable consideration under the Community Reinvestment Act regulations for qualifying VITA-related activities.⁴⁰

Confirming whether partner institutions offer accounts that meet Safe Account standards, such as Bank On accounts, may be valuable for several reasons. Understanding the bank accounts that partners offer may allow VITA sites to help their clients avoid risks related to minimum-balance limits and fees that might deplete deposited funds. Understanding the bank accounts that partners offer may also allow VITA sites to help clients with negative banking histories to avoid unsuccessful attempts to open an account. Further, by opening an initial account with a bank, clients may benefit from future services. See “Spotlight: Bank On Partnerships as a Stepping Stone for Financial Inclusion” for an example of how one site views potential longer-term benefits of Bank On accounts for its clients beyond the safeguards of Safe Accounts.

Implication 2: VITA sites would benefit from technical assistance in forming and executing partnerships and information that addresses specific knowledge, comfort, and resource gaps, including

- materials that share practices partnered sites consider useful and that explain what banking partnerships are, and how to form and implement them;
- materials that address common concerns, such as whether volunteers and staff providing banking services is appropriate and the potential implications for client privacy; and
- tools that allow VITA sites to easily identify local branches of institutions that offer Bank On accounts.

The survey findings revealed that many nonpartnered respondent sites lacked knowledge about the existence and details of banking partnerships. Simple materials could provide basic information that may help nonpartnered sites grow more interested in becoming partnered. Further, for sites interested in developing and implementing a partnership, information could incorporate the practices partnered sites deem particularly useful (highlighted in Table 5.1). For example, sites may benefit from learning that VITA staff and volunteers may assist with the on-site opening of accounts, even without a financial institution employee being physically present. See “Spotlight: VITA Sites That Open Bank Accounts On-Site Without the Presence of Bank Employees” below for examples of how this assistance works in practice for some respondent sites.

⁴⁰ See FDIC, *Creating Partnerships Between Financial Institutions and Organizations Providing Free Tax Assistance to Consumers* (Washington, DC: FDIC, n.d.), <https://www.fdic.gov/resources/bankers/affordable-accounts/documents/free-tax-assistance.pdf>.



Spotlight: VITA Sites That Open Bank Accounts On-Site Without the Presence of Bank Employees[†]

Sites interviewed after the survey provided more details about the methods they used to open bank accounts on-site without bank employees being physically present.

At one site, the partner credit union gave several site staff members the authority to verify client identities, a custom account application link, and a personalized passcode to grant log-in access. The site linked clients interested in a savings or checking account at intake with one of these VITA staff members, and the client and staff member filled out the application together. Once the client submitted the application, a credit union liaison reviewed the application for approval. If the credit union approved the client's application, then the credit union liaison provided a bank-account number to the VITA staff member via phone and sent an email that required the client to respond and finalize the account. If the credit union liaison discovered a flag in the client's banking history (for example, instances of nonsufficient funds), then the credit union arranged with the VITA site to approve an account only if the client received financial coaching.

At another site, clients interested in direct deposit sat down one-on-one with a staff member who asked about their preferences for a bank branch (for example, proximity to home, work, or a commuting route). The staff member may also have presented the client with a list of local Bank On-participating banks and credit unions. The staff member worked with the client to pick a preferred banking institution and proceeded to the website of that institution to guide the client through the standard online application process. Staff members had relationships with several local banks that the staff members contacted if they ran into issues in the application process. If clients had a flag in their banking histories that prevented them from opening an account, staff members could also connect clients with a local financial empowerment center that provided accommodating options.

[†]The anecdotes highlighted in the Spotlight are shared with the permission of the stakeholders and respondent sites interviewed.

In addition to addressing questions related to forming and implementing partnerships, materials may address concerns the survey results identified, including VITA site concerns about neutrality in directing clients to a particular institution and volunteer and staff discomfort with providing services outside of tax preparation. The survey also yielded a substantial share of “do not know” responses from sites located in majority Hispanic and High Share Native American census tracts about their willingness to partner with institutions that provide Bank On accounts. Therefore, Spanish-language materials or materials that address the concerns of specific populations may be useful.

The survey found that majorities of partnered and nonpartnered respondent VITA sites were willing to provide their clients with a link to a Bank On website or a list of local institutions that offered Bank On accounts. And the few partnered respondent sites that already offered clients a link to a website for finding and opening an account found this practice useful (see Table 5.1). In other words, many VITA sites are willing to engage with Bank On accounts via a practice that other sites find useful, but few already do so. Therefore, interested stakeholders may consider developing tools that allow VITA sites to easily find information about branches of local institutions that offer Bank On accounts.

Implication 3: Opportunities exist to increase economic inclusion, even at partnered sites. These opportunities include, but are not limited to:

- implementing more personal referral methods when adopting off-site account-opening practices, including the use of warm handoffs;
- providing account-opening assistance on-site, when clients are already present for tax-preparation services; and
- communicating at other steps of the tax-preparation process that account-opening assistance is available, including when sites deliver services virtually.

The survey found that about half of partnered respondent sites communicated the availability of banking services at only one or two steps in the six-step VITA tax-preparation process. When VITA sites provide services virtually, they sometimes did not communicate about banking services at all. Further, many partnered sites did not provide on-site banking services, even though all partnered respondent sites provided tax-preparation services to clients on-site. In these instances, sites may benefit from learning about practices considered useful by other sites—for example, where banking services information is provided to clients or banking services are provided on-site without bank personnel. Information about the practices of other sites may better equip partnered sites to expand their communication about and provision of banking services.

The sites that use warm handoffs deemed this off-site referral practice “very useful.” A 2016 FDIC report to inform bank efforts to develop sustainable relationships with unbanked, underbanked, and lower-income consumers found that “trust” and “familiarity” were crucial components in developing relationships with these consumers.⁴¹ Relationships with consumers were most successful when banks used a “multipronged” approach—for instance, by employing culturally competent staff in combination with providing suitable initial products. The VITA survey’s findings about the perceived usefulness of warm handoffs is consistent with the earlier findings of the 2016 FDIC report. Warm handoffs combined with the provision of Bank On products may provide a culturally competent multipronged approach to help unbanked VITA clients participate in the mainstream U.S. banking system.

⁴¹ See FDIC, *Bank Efforts to Serve Unbanked and Underbanked Consumers* (Washington, DC: FDIC, May 2016), https://www.fdic.gov/consumers/community/research/qualitativeresearch_may2016.pdf#page=7. The FDIC partly developed the findings through focus groups with consumers in this population and with consumer counselors.

Survey Pool Construction and Sample Selection

No comprehensive data exists on active Volunteer Income Tax Assistance (VITA) sites and the attributes of the populations the sites serve. Therefore, the VITA survey lacked a frame from which to draw a nationally representative sample. Instead, for the 2023 tax-filing season, the Federal Deposit Insurance Corporation (FDIC) drew the survey sample from a multisource pool of VITA sites. Further, the FDIC conducted the VITA survey under Office of Management and Budget Control No. 3064-0198, which provides the FDIC generic clearance to collect information from up to 500 respondents. The final survey sample included 486 sites that the FDIC determined may serve populations with a greater likelihood of being unbanked, that served larger volumes of clients, and that were more likely to have preexisting banking partnerships.

The FDIC drew the final sample using a survey pool from four main sources: VITA sites that publicly posted their operations on an Internal Revenue Service (IRS) site locator tool; VITA sites that served Indian Country, according to an IRS list; organizations that were awarded 2022 IRS Tax Counseling for the Elderly and VITA grants; and organizations that responded to the 2019 or 2021 annual Prosperity Now Taxpayer Opportunity Network End of Season Surveys. This appendix details how each source contributed to the survey pool and final sample.

1. IRS VITA-Site Locator Tool

VITA sites are required to provide operational information to IRS SPEC to post on the IRS [Find a Location for Free Tax Help locator tool](#).⁴² According to the locator-tool website, the tool typically updates the sites from February through April of each tax season. The FDIC obtained a list of 3,694 unique VITA sites that had operational information posted on the locator tool on February 28, 2023, at the peak of the 2023 tax-filing season. Site information included site names and addresses, phone numbers for scheduling appointments, dates and times of operation, directions for making an appointment, and the languages in which services were available.

Next, the FDIC geocoded the addresses of the 3,694 sites from the IRS locator tool and matched the addresses to U.S. Census tracts to determine the tract demographics. To capture sites serving populations disproportionately likely to be unbanked, the FDIC determined whether sites were located in a majority Black, majority Hispanic, or high-share Native American census tract or a non-Metropolitan Statistical Area (non-MSA) county.⁴³ At least 50 percent of the populations in majority Black and majority Hispanic census tracts are categorized as Black or Hispanic, and at least 15 percent of the populations in high-share Native American tracts are categorized as American Indian or Alaskan Native.

⁴² VITA sites may request to not post information on the IRS locator; further some non-active sites appear on the locator tool while some active sites do not appear. Therefore the list that the FDIC obtained from the IRS locator is not comprehensive and not necessarily accurate for that given point in time.

⁴³ See FDIC, *2021 FDIC National Survey of Unbanked and Underbanked Households* Appendix Tables (Washington, DC: FDIC, October 2022), 3–4, <https://www.fdic.gov/analysis/household-survey/2021appendix.pdf> for the unbanked rates by household demographics, including by race, ethnicity, and location.

APPENDIX A: METHODOLOGY

The FDIC first used the census geocoder to match VITA site addresses to census tracts.⁴⁴ Of the 3,694 VITA sites listed on the IRS site locator tool, the FDIC matched 3,115 sites using the census geocoder. Although the census geocoder is precise and includes a large database of residential addresses, VITA sites are not usually located in residential areas. Therefore, second, for addresses not matched using the census geocoder, the FDIC used the ArcGIS geocoder to determine the census tract in which the VITA site was most likely located. The FDIC geocoded and matched all 3,694 sites from the locator tool to census tracts using these two methods.

The FDIC then merged the tracts in which VITA sites were located with tract-level demographic data from the census. Matches to available demographic tract data were obtained for 3,691 sites.⁴⁵ With the demographic information, the FDIC could identify whether the tract was located in a majority Black, Hispanic, or high-share Native American tract. Next, the FDIC categorized the VITA site as located in an MSA or a non-MSA based on the county in which the tract was located.

2. VITA Sites Serving Indian Country

Not all VITA sites appear on the IRS locator tool. To identify additional sites that may serve populations that are disproportionately likely to be unbanked, the FDIC used a separate IRS listing of the names and addresses of VITA sites that serve Indian Country.⁴⁶ From this list, the FDIC added 12 sites to the survey sample pool that had not already been identified using the IRS locator tool.

3. Organizations Awarded IRS Tax Counseling for the Elderly and VITA Grants in 2022

The FDIC separately attempted to identify sites that were not listed on the IRS locator tool but may be more likely to serve underbanked households, given their larger size. To capture larger VITA sites, the FDIC included some sites within organizations that were awarded IRS Tax Counseling for the Elderly and VITA Grants in fiscal year 2022.⁴⁷ The IRS's list of award winners includes the names, cities, and states of the organizations, which typically oversee multiple sites. The FDIC perused organization websites and flyers, newspaper articles, and government websites to determine which sites the umbrella organizations coordinated. Using this method, the FDIC added 34 sites that had not already been identified using the IRS locator tool to the survey pool.

⁴⁴ The census batch-file geocoder can be found at “Find Batch Address Geographies,” U.S. Census Bureau, n.d., <https://geocoding.geo.census.gov/geocoder/geographies/addressbatch?form>. The FDIC conducted two passes through its addresses with different settings. For both, the FDIC used the benchmark “Public_AR_Current.” For the first pass, the FDIC set the vintage to Public_AR_Current. For the second pass, the FDIC used the option “Public_ACS2021_Current” as the vintage. For any addresses that did not match with the first pass, the FDIC tried matching with the second pass.

⁴⁵ For characteristics, the FDIC used the American Community Survey five-year estimates from 2021 (DP05). The FDIC used the variables for the percentage of the tract that comprised each race or ethnicity—specifically, variables dp05_0064pe, dp05_0065pe, dp05_0066pe, dp05_0067pe, dp05_0068pe, dp05_0069pe, dp05_0071pe, and dp05_0033pe.

⁴⁶ “VITA Sites Serving Indian Country,” IRS, updated February 23, 2024, <https://www.irs.gov/government-entities/indian-tribal-governments/vita-sites-serving-indian-country>.

⁴⁷ See IRS, *2022 VITA TCE Grant Recipients* (Washington, DC: IRS, 2022), <https://www.irs.gov/pub/irs-wi/2022-vita-tce-grant-recipients.pdf>

4. Organizations That Responded to the 2019 and 2021 Annual Prosperity Now Taxpayer Opportunity Network End of Season Surveys

The survey prioritized intentionally including sites with existing banking partnerships to learn more about how VITA sites met their partners and implemented their partnerships. In an attempt to ensure that the invited sample included partnered sites, the FDIC included sites in the survey pool that were coordinated by organizations that had participated in either the 2019 or 2021 Taxpayer Opportunity Network End of Season Survey. In the surveys, some organizations affirmed that they connected VITA clients to “bank accounts, savings bonds, debit cards,” or reported the organizations served some VITA clients by opening checking or savings accounts. The FDIC also identified the sites these organizations coordinated by searching through organization websites and flyers, newspaper articles, and government websites. Through this effort, the FDIC added 68 sites that had not previously been identified by the IRS locator tool.

Next, FDIC staff and ICF International, Inc. (ICF)—the contractor responsible for implementing field collection—worked to obtain VITA program director email addresses from the sites in the survey pool. Subsequently, the FDIC used the following rules to decide which sites to include in the final sample:

- the FDIC or ICF could identify a specific email address through which to send the VITA site program director a survey invitation;
- if the program director coordinated several sites, the FDIC asked the director survey questions about a maximum of two sites;
- the FDIC prioritized sites that had previously had banking partnerships or were hosted inside banking institutions, to include sites that were more likely to have an existing partnership;
- the FDIC prioritized sites that were more likely to serve disproportionately unbanked populations given the census tracts in which the sites were located, if the IRS identified the site as serving Indian Country, or if the umbrella organization overseeing the site received a large grant; and
- the FDIC included sites that were located in all 50 states.

Ultimately, the final sample included 486 VITA sites, of which 351 responded to the survey invitation.

APPENDIX A: METHODOLOGY

Survey Fielding

The three stages of survey fielding were presurvey partner engagement, outreach and distribution, and survey fielding and close. This section briefly discusses each stage.

1. Presurvey Partner Engagement

To encourage survey responses, the FDIC built relationships with two important VITA partners. Importantly, the FDIC collaborated closely with the IRS Stakeholder Partnerships, Education and Communication (SPEC) office, which is responsible for administering VITA programs. The IRS SPEC office invited the FDIC to participate in its April 2023 IRS SPEC Partner Web Session, where FDIC staff presented the purpose of the survey effort and fielded questions from VITA staff. In addition, the FDIC worked with IRS staff to ensure the VITA survey instrument conformed to IRS Code 7216 requirements, which limit the information VITA sites may share about their clients without taxpayer consent.⁴⁸ Further, the FDIC collaborated with Prosperity Now, a well-known national nonprofit that engages with VITA sites through its Tax Opportunity Network (TON). Prosperity Now allowed FDIC staff to present and discuss the VITA survey on the nonprofit's March 2023 TON national partner call. Prosperity Now also included a blurb about the survey in the nonprofit's March 2023 TON newsletter.

2. Outreach and Distribution

Before the FDIC fielded the VITA survey, the IRS SPEC office emailed its territory offices to introduce the survey and, in turn, provide survey information to the partner VITA sites that the territory offices administered. The email included information about the purpose and timing of the upcoming survey, verified that the FDIC was fielding the survey, and assured recipients that participating in the survey would not violate IRS Code 7216 rules. The emails encouraged VITA sites to complete the survey if the FDIC selected them to participate. Similarly, Prosperity Now sent an email to its listserv describing the purpose of the survey and encouraging member sites to participate if invited.

A few days before commencing survey fielding, the FDIC used an fdic.gov email address to send a “save the date” email to the program directors of all VITA sites included in the survey sample. The “save the date” informed the program directors that the FDIC had selected them to participate in the survey, indicated by physical address which specific VITA sites the survey would ask the directors about, and notified them the ICF email address that would send the official survey invitation. On May 15, 2023, ICF International, Inc. electronically sent personalized, site-specific links to a Qualtrics-based survey instrument to VITA program directors.

⁴⁸ See IRS Code 26 C.F.R. § 301.7216-2(o) (2024), <https://www.ecfr.gov/current/title-26/chapter-I/subchapter-F/part-301/subpart-ECFRa197f7a9e2c9460/subject-group-ECFR32261461a26e430/section-301.7216-2#p-301.7216-2>

3. Survey Fielding and Close

The FDIC fielded the survey from May 15 to June 30, 2023. ICF International, Inc. sent multiple reminder emails to nonrespondents throughout the fielding period and, later, made telephone calls to the program directors of sites that had not yet responded. Toward the survey's close, the IRS SPEC office emailed its partners again, encouraging them to participate in the survey if invited. Finally, FDIC Community Affairs regional staff personally contacted some nonrespondent sites to encourage them to complete the survey. At the survey's close, 351 of the 486 sites invited to participate had responded, yielding a 72 percent response rate.

**2023 Survey of VITA Providers
Federal Deposit Insurance Corporation (FDIC)**

Overview

What is the purpose of this survey?

The purpose of the 2023 FDIC Survey of Volunteer Income Tax Assistance (VITA) Providers is to better understand the relationship between VITA sites and the clients they serve, as well as any opportunities or efforts in place to help unbanked VITA clients open checking or savings accounts to direct deposit their tax refunds. The FDIC is committed to expanding economic inclusion in the financial mainstream and would very much value the expert knowledge that VITA providers have to share about their important work.

What kind of questions are asked on the survey?

Most of the questions in the survey are multiple choice questions about the service models you use, the clients you serve, and the ways in which you may help your clients direct deposit their refunds in a variety of accounts. None of the questions asks for any of your clients' personal or financial information.

Who in my organization should respond to this survey?

We believe that most of the questions on this survey are best completed by the VITA Program Director, VITA Program Manager, or someone who has knowledge of your organization's VITA program decision making and its site-level logistics. If certain questions may be better answered by someone else, the Program Director, Program Manager, or equivalent can forward the email link to that person to complete that portion of the survey.

How long will this survey take?

The survey should take about 15 to 20 minutes to complete. If you have to stop in the middle and return later, your answers on any pages that you have completed will be saved.

What will the information be used for?

Responses to this survey will only be reported in aggregate; individual responses will not be shared and will only be used by the FDIC for internal purposes unless required by law. A publicly available report is expected to be released by the FDIC in early 2024.

APPENDIX B: SURVEY INSTRUMENT

OMB Control No. 3064-0198
Expiration Date: January 31, 2024

PRA Burden Statement

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The FDIC Survey of Volunteer Income Tax Assistance (VITA) Providers constitutes a collection of information under the Paperwork Reduction Act (PRA) which has been cleared by OMB under Control Number 3064-0198 (expiration date: January 31, 2024). Public reporting burden for this information collection is estimated to average 20 minutes for those VITA providers that currently partner with banks or credit unions and 15 minutes for those VITA providers that do not currently partner with banks or credit unions. These times include reviewing instructions and completing the survey. You can send comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, to the Paperwork Reduction Act Clearance Officer, Legal Division, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429; and to the Office of Management and Budget, Paperwork Reduction Project (Re: Control Number 3064-0198), Washington DC 20503.

APPENDIX B: SURVEY INSTRUMENT

Please answer all questions in this survey in relation to the following VITA site: **[VITA SITE NAME]**, at **[VITA SITE ADDRESS]**. Even if you are involved with more than one VITA site, all of your responses should be based only on this one site.

Respondent Information

This survey is best answered by someone who has knowledge of your organization's VITA program history and decision making, as well as the logistics of the specific VITA site listed earlier. Knowledge of VITA site logistics includes awareness of offered service models, any bank or credit union partnerships associated with the site, and options to help clients with direct deposit of their tax refunds. **If you feel that you are not sufficiently knowledgeable about these topics, then please forward the survey link that you received to someone in your organization who would be more knowledgeable.**

R11. What is the name of your organization? _____

R12. What is your name? _____

R13. What is your email? _____

R14. Is your role equivalent to that of a VITA Program Director or VITA Program Manager?

- a. Yes
- b. No

[If R14 = b]

R15. What is your position within your organization? _____

APPENDIX B: SURVEY INSTRUMENT

General Questions

Please remember to answer all questions in this survey specifically in relation to the following VITA site: **[VITA SITE NAME]**, at **[VITA SITE ADDRESS]**.

1. Select the option that best describes your host site in 2023:
 - a. Community center
 - b. Library
 - c. Religious house of worship
 - d. Senior housing facility
 - e. Public housing facility (non-senior)
 - f. Social services organization
 - g. Financial institution
 - h. Rented business space
 - i. K-12 school
 - j. College or university building
 - k. Government building
 - l. This site is fully virtual and does not provide on-site VITA services
 - m. Other (specify)

2. In 2023, what service models were offered by this VITA site? *(Select all that apply.)*
[REQUIRE RESPONSE]
 - a. In-person tax preparation (traditional VITA)
 - b. Drop-off (on-site visit to drop-off or scan materials, volunteers prepare returns)
 - c. Virtual (no on-site visit to drop-off materials, volunteers prepare returns)
 - d. Facilitated-Self Assistance (FSA) – On-site (client mostly self-prepares return on-site)
 - e. Facilitated-Self Assistance (FSA) – Remote (client mostly self-prepares return virtually, for example, through MyFreeTaxes)
 - f. Other (specify)

3. In 2023, in addition to tax preparation did this site also promote financial well-being for its clients (for example, through encouragement to save refunds or financial counseling) in any of the following ways? *(Select all that apply.)*
 - a. Staff were available to promote financial well-being activities
 - b. Volunteers were available to promote financial well-being activities
 - c. This site referred clients to third parties or others in its organization for financial well-being activities
 - d. Other (specify)
 - e. Did not promote financial well-being activities
 - f. Do not know

APPENDIX B: SURVEY INSTRUMENT

4. For the 2023 tax season, did the following VITA site: **[VITA SITE NAME]**, at **[VITA SITE ADDRESS]**, have a partnership with any bank or credit union to help its VITA clients open new checking or savings accounts, either onsite, online, through referrals, or through any other method? **[REQUIRE RESPONSE]**
- Yes **[Go to Q5–Q19]**
 - No **[Go to Q20–Q25]**

Questions for VITA Providers That Partnered With Banks or Credit Unions

You responded that, for the 2023 tax season, the following VITA site: **[VITA SITE NAME]**, at **[VITA SITE ADDRESS]**, partnered with a bank or credit union to help VITA clients open new checking or savings accounts. *The following questions pertain to this partnership.*

[If Q4 = a]

5. How was the partnership with your partner bank(s) or credit union(s) formed? *(Select all that apply.)*
- Bank or credit union initiated the partnership by contacting the VITA organization
 - Bank or credit union employee was a volunteer with the VITA organization and made the connection
 - Bank or credit union member is also a member on the board of the VITA organization
 - Bank or credit union was involved with the VITA organization on non-VITA related projects
 - VITA organization and bank or credit union met or heard about each other in a joint event or through a network (such as the Bank On coalition, FDIC Alliance for Economic Inclusion, VITA coalition, or community organization coalition)
 - VITA organization met a bank or credit union through its fundraising, volunteer recruitment, or other in-kind support efforts
 - VITA organization initiated partnership by “cold-calling” a bank or credit union
 - Other (specify)
 - Do not know

APPENDIX B: SURVEY INSTRUMENT

[If (Q2 = a or b or c) and (Q4 = a). Row(s) should display only if options a, b, or c were selected in Q2.]

6. In 2023, at what point(s) during the tax return preparation process were unbanked clients told that a partner bank or credit union was available to set up checking or savings accounts? *(Each row is for a different VITA service model offered at this site. Select all that apply for each row.)*

	During marketing and outreach or appointment scheduling	During intake	While waiting or in the waiting area	During tax return preparation	During qualitative review	After tax return completion	Clients were not told	Do not know
a. In-person tax preparation (traditional VITA)								
b. Drop-off (on-site visit to drop-off or scan materials)								
c. Virtual (no on-site visit to drop-off materials)								

[If (Q2 = a or b or d or f) and (Q4 = a)]

7. In 2023, did clients have the option to open (or begin the process of opening) partner bank or credit union checking or savings accounts while physically on-site at this VITA site?
- Yes
 - No
 - Do not know

[If Q7 = a or c]

8. In which of the following ways were clients able to open (or begin the process of opening) checking or savings accounts on-site at this VITA site in 2023? *(Select all that apply.)*
- Bank or credit union employee was present on-site to help clients
 - VITA site was located within a bank or credit union where clients could set up an account
 - VITA volunteer, staff, or client used the phone, virtual conference, mobile app, or paper form associated with a partner bank or credit union to set up an account
 - Other (specify)
 - Do not know

APPENDIX B: SURVEY INSTRUMENT

[If Q7 = b]

9. Which of the following were reasons your site did not offer an on-site option to open checking or savings accounts in 2023? *(Select all that apply.)*
- Did not believe there was a demand for this service
 - Partner bank or credit union employees were not available to be on-site at the times that were needed
 - VITA volunteers or staff felt uncomfortable providing assistance with opening checking or savings accounts
 - Not enough funding or in-kind support (for example, time, people, or space) to provide on-site services
 - Our organization did not believe that opening checking or savings accounts was a key part of our mission
 - Most or all of this VITA site's services were provided virtually
 - Other
 - Do not know

[If Q7 = a or c]

10. In 2023, did clients have the option to open (or begin the process of opening) partner bank or credit union checking or savings accounts without having to be at the physical VITA site?
- Yes
 - No
 - Do not know

[If (Q4 = a) and (NOT(Q2 = a or b or d or f) or (Q7 = b) or (Q10 = a or c))]

11. In which of the following ways were clients directed to open checking or savings accounts off-site with your partner bank(s) or credit union(s) in 2023? *(Select all that apply.)*
- Clients were directed to physically visit a partner bank or credit union
 - Clients were directed to call a phone number, visit the website, or download the app of a partner bank or credit union
 - Clients were provided a referral with a "warm hand-off" to a partner bank or credit union (for example, an email referral with an introduction between the client and bank or credit union representative)
 - Other (specify)
 - Do not know

APPENDIX B: SURVEY INSTRUMENT

[If Q4 = a]

12. In 2023, what other option(s) did this VITA site provide clients who may have wanted to receive their refunds through direct deposit but who did not have a place to deposit the refund into and could not or did not want to open an account with a partner bank or credit union? *(Select all that apply.)*
- a. A prepaid debit card
 - b. Information about non-partner banks or credit unions where clients could open a checking or savings account on their own
 - c. A link to a government or other trusted website where clients could find and open a checking or savings account on their own
 - d. Direct deposit their refunds into savings bonds
 - e. Other (specify)
 - f. Did not provide an alternative option
 - g. Do not know

[If (Q8 = a or b or c or d) or (Q11 = a or b or c or d) or (Q12 = a or b or c or d or e). Row(s) should display only if an option was selected in Q8, Q11, or Q12.]

13. For increasing use of direct deposit, how useful do you believe is each of the following services offered by your VITA site?

APPENDIX B: SURVEY INSTRUMENT

(Each row is for a different service offered at this site. Select one option per row.)

	Very useful	Somewhat useful	Not very useful	Do not know
a. <i>[If Q8 = a]</i> Opening an account on-site with bank or credit union employees				
b. <i>[If Q8 = b]</i> Opening an account at the bank or credit union that VITA site was located within				
c. <i>[If Q8 = c]</i> Opening an account on-site with a partner bank or credit union through phone, virtual conference, mobile app, or paper form				
d. <i>[If Q8 = d]</i> On-site option of: <i>[Insert verbatim for Q8 = d]</i>				
e. <i>[If Q11 = a]</i> Opening an account by physically visiting a partner bank or credit union				
f. <i>[If Q11 = b]</i> Opening an account by calling, visiting the website of, or downloading the app for a partner bank or credit union				
g. <i>[If Q11 = c]</i> Opening an account through a referral with a “warm hand-off” to a partner bank or credit union				
h. <i>[If Q11 = d]</i> Off-site option of: <i>[Insert verbatim for Q11 = d]</i>				
i. <i>[If Q12 = a]</i> Directly depositing refunds onto a prepaid debit card				
j. <i>[If Q12 = b]</i> Receiving information about non-partner banks or credit unions where clients could open a checking or savings account on their own				
k. <i>[If Q12 = c]</i> Receiving a link to a government or other trusted website where clients could find and open a checking or savings account on their own				
l. <i>[If Q12 = d]</i> Directly depositing refunds into savings bonds				
m. <i>[If Q12 = e]</i> Option of: <i>[Insert verbatim for Q12 = e]</i>				

[If Q4 = a]

14. In next year’s tax season (2024), do you expect to have a partnership with a bank or credit union to help your clients open new accounts?
- a. Yes, with the same bank(s) or credit union(s) we partnered with in 2023
 - b. Yes, with at least one change to a bank or credit union of those we partnered with in 2023
 - c. No, we do not expect to have a partnership with a bank or credit union in 2024
 - d. Not applicable because site will not reopen in 2024
 - e. Do not know

APPENDIX B: SURVEY INSTRUMENT

[If Q14 = b]

15. In your own words, please describe why you expect to make a change to a bank or credit union partner for next year's tax season (2024).

Response: _____

[If Q14 = a or b or c or e]

16. In next year's tax season (2024), is it likely that this VITA site will increase or decrease its efforts to help clients open new checking or savings accounts?
- Likely to increase its efforts
 - Likely to decrease its efforts
 - Likely to keep its efforts the same
 - Do not know

[If Q16 = a]

17. Which of the following are reasons that this VITA site may increase its efforts to help clients open checking or savings accounts in next year's tax season (2024)? *(Select all that apply.)*
- Greater client demand or need for this service
 - Partner bank or credit union proposed or wanted this change
 - Other (specify)
 - Do not know

[If Q16 = b]

18. Which of the following are reasons that this VITA site may decrease its efforts to help clients open checking or savings accounts in next year's tax season (2024)? *(Select all that apply.)*
- Lack of demand for the service
 - Partner bank or credit union wants to decrease resources allocated to offering this service
 - Received complaints about this service from staff or volunteers
 - Will not have the resources (for example, time, people, or space)
 - Staff or volunteers preferred other options for direct deposit, rather than opening checking or savings accounts
 - Other
 - Do not know

[If Q4 = a]

19. **Bank On** accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no or limited monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities.

APPENDIX B: SURVEY INSTRUMENT

Does this VITA site already do the following, or is it willing to do the following, related to **Bank On** accounts? *(Select one option per row.)*

	Already do this	Willing to do this	Not willing to do this	Do not know
a. Provide VITA clients with a website link that allows them to look up banks and credit unions in their area that offer accounts certified as meeting Bank On National Account Standards				
b. Provide VITA clients with a list of banks and credit unions in their area that offer accounts certified as meeting Bank On National Account Standards				
c. Partner with a bank or credit union that would provide to your VITA clients accounts certified as meeting Bank On National Account Standards				

Questions for VITA Providers That Did Not Partner With Banks or Credit Unions

You responded that, for the 2023 tax season, the following VITA site: **[VITA SITE NAME]**, at **[VITA SITE ADDRESS]**, did not partner with a bank or credit union. *The following questions pertain to this VITA site.*

[If Q4 = b]

20. There are different reasons why a VITA site might not partner with a bank or credit union. Which of the following are reasons why this VITA site did not partner with a bank or credit union in 2023? *(Select all that apply.)*

Reasons related to partnerships

- a. Local banks and credit unions were unwilling or unavailable to provide services for this site
- b. Did not have enough funding or in-kind support (for example, time, people, or space) to engage in this partnership or provide this service
- c. Did not know how to find a partner bank or credit union
- d. Did not know how to execute a partnership with a bank or credit union
- e. Worried that the bank or credit union may charge high fees
- f. Worried about privacy regulations or sharing client information with outside parties
- g. Did not know how to remain a “neutral” entity when interacting with specific financial institutions
- h. Not aware that this type of partnership was a possibility

APPENDIX B: SURVEY INSTRUMENT

Site-specific reasons

- i. Lack of demand for the service at this particular site
- j. VITA site already met the needs of its clients through alternative methods for direct deposit (for example, through prepaid debit cards)
- k. VITA volunteers or staff felt uncomfortable providing assistance with opening checking or savings accounts
- l. Do not believe that opening checking or savings accounts is in the mission of the organization

Other

- m. Other
- n. Do not know

[If Q4 = b]

21. Did this site ever partner with a bank or credit union to help VITA clients open checking or savings accounts?
- a. Yes
 - b. No
 - c. Do not know

[If Q4 = b]

22. In 2023, what option(s) did this VITA site provide clients who may have wanted to receive their refunds through direct deposit but who did not have a place to deposit the refund into? (*Select all that apply.*)
- a. A prepaid debit card
 - b. Information about banks or credit unions where clients could open a checking or savings account on their own
 - c. A link to a government or other trusted website where clients could find and open a checking or savings account on their own
 - d. Direct deposit their refunds into savings bonds
 - e. Other (specify)
 - f. Did not provide an alternative option
 - g. Do not know

[If Q4 = b]

23. **Bank On** accounts are accounts that meet Bank On National Account Standards and provide a safe and low-cost option for consumers. These accounts are based on the FDIC Model Safe Accounts Template and have features such as no overdraft fees, no low balance fees, and no or limited monthly maintenance fees. Banks and credit unions across the United States offer Bank On Accounts, including over thirty that offer remote account opening capabilities.

Does this VITA site already do the following, or is it willing to do the following, related to **Bank On** accounts? (*Select one option per row.*)

APPENDIX B: SURVEY INSTRUMENT

	Already do this	Willing to do this	Not willing to do this	Do not know
a. Provide VITA clients with a website link that allows them to look up banks and credit unions in their area that offer accounts certified as meeting Bank On National Account Standards				
b. Provide VITA clients with a list of banks and credit unions in their area that offer accounts certified as meeting Bank On National Account Standards				
c. Partner with a bank or credit union that would provide to your VITA clients accounts certified as meeting Bank On National Account Standards				

[If Q4 = b]

24. In 2023, did your organization oversee any other VITA sites in addition to this one?
- a. Yes
 - b. No
 - c. Do not know

[If Q24 = a]

25. In 2023, did any of your organization’s other VITA sites partner with a bank or credit union to help VITA clients open checking or savings accounts?
- a. Yes
 - b. No
 - c. Do not know

Question on Number of Checking or Savings Accounts Opened by Partner Bank or Credit Union

[If Q4 = a]

26. In 2023, approximately how many checking or savings accounts did your partner bank or credit union report were opened by clients of this VITA site who did not have an account at intake? If you do not know the answer to this question, please approximate or leave blank.
 Response: _____

Final Question

27. Thank you very much for taking the time to complete this survey. May we reach out to you in the future if we have any further questions about your responses or your organization’s work?
- a. Yes
 - b. No

APPENDIX C: TABLES AND FIGURES

APPENDIX TABLE C1 Percent of Respondent Sites at the Following Site Location Types

Universe: All Respondent Sites (N = 351)

Site Location Types	Percent Selected
Social service organization	39.3
Community center	19.4
College or university	6.8
Government building	6.3
Library	6.0
Financial institution	5.7
Religious house of worship	5.1
Rented business space	4.8
Public housing facility (non-senior)	1.4
K-12 school	0.6
Senior housing facility	0.0
Fully virtual	0.3
Other	3.7
No response	0.6
Total	100

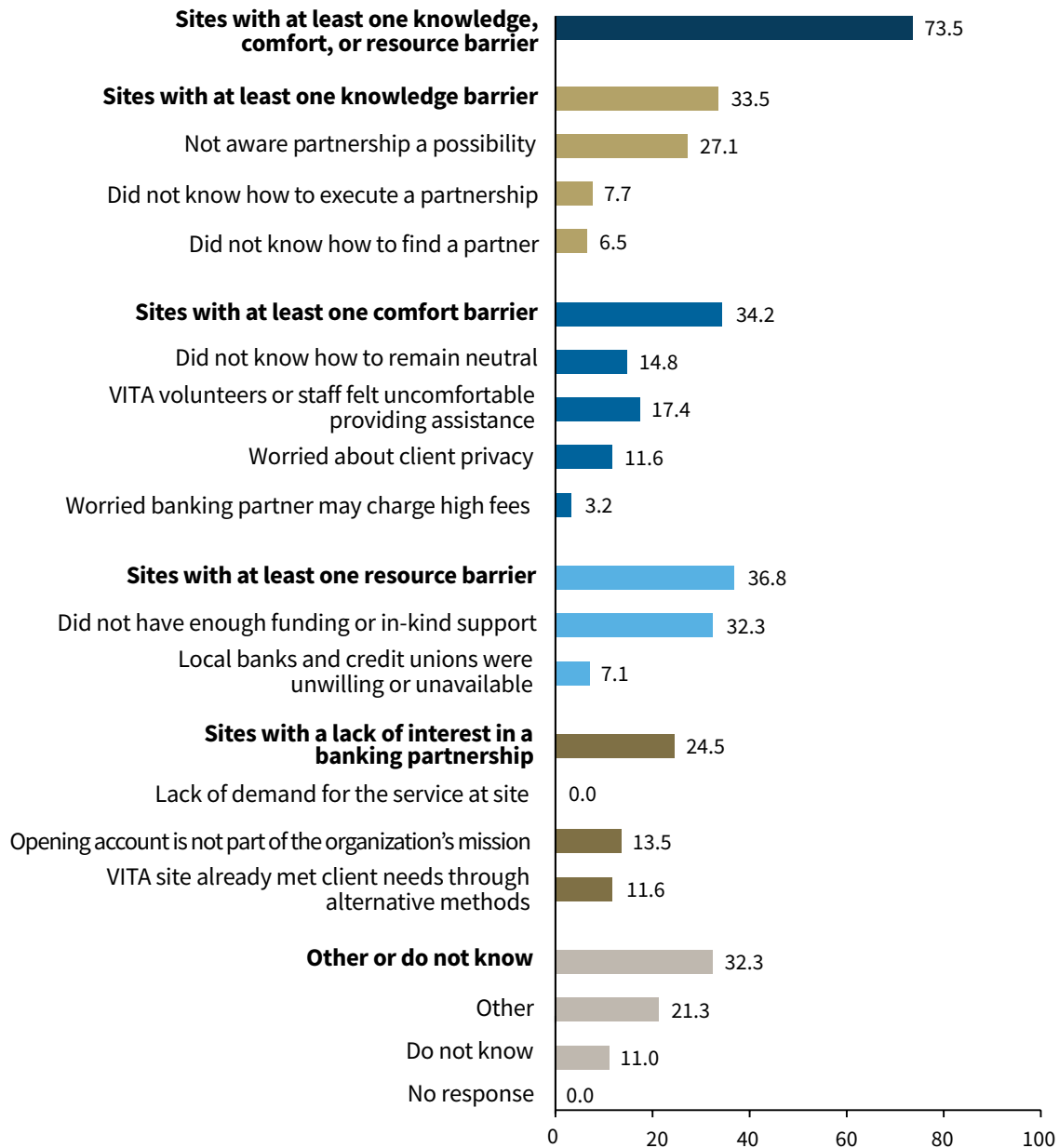
Source: FDIC VITA Survey Question 1: “Select the option that best describes your host site in 2023.”

Notes: Some survey respondents selected the “Other” category and entered text responses associated with available answer options. In those instances, responses were reclassified to the appropriate answer. For example, if a respondent entered any of Goodwill, United Way, a Community Action organization, an organization that serves veterans, or an organization that serves the ageing, then their response was reclassified as being hosted in a “social service organization.” Similarly, if a respondent indicated their VITA host site was in a bank, credit union, or Community Development Financial Institution (CDFI), then their response was reclassified as being hosted in a “financial institution.” Additionally, we reclassified University Extension programs as being hosted in a “college or university,” senior centers or the YMCA as “community centers,” government-run organizations as being hosted in a “government building,” malls as being hosted in a “rented business space,” and libraries as being hosted in a “library.” The “Other” category also includes fully virtual sites.

APPENDIX C: TABLES AND FIGURES

APPENDIX FIGURE C1 Reasons Nonpartnered Sites Were Not Partnered by Percentage, Sites With Demand

Universe: Respondent Sites Without Banking Partnerships Which Have Demand (N = 155)



Source: FDIC VITA Survey Question 20: "There are different reasons why a VITA site might not partner with a bank or credit union. Which of the following are reasons why this VITA site did not partner with a bank or credit union in 2023? (Select all that apply.)"

Notes: A site is considered not to have a banking partnership if it answered "No" to Q4. Only nonpartnered sites that did not indicate in Q20 that "Lack of demand for the service" was a reason that they were not partnered are included in Appendix Figure C1.

APPENDIX C: TABLES AND FIGURES

APPENDIX TABLE C2 Reasons Nonpartnered Sites Were Not Partnered by Percentage, by Characteristic of Site Location

Universe: Respondent Sites Without Banking Partnerships (N = 252)

Reasons for Not Partnering	In Universe	In Census Tract That Is						In County That Is In	
		Majority				High Share Native American	Other	MSA	Non-MSA
		Hispanic	Asian	Black	White				
Sites with at least one knowledge comfort, or resource barrier	75.0	71.7	100.0	70.5	76.5	66.7	50.0	73.8	77.6
Sites with at least one knowledge barrier	32.9	30.2	100.0	29.5	32.4	27.8	33.3	31.3	37.3
Not aware partnership a possibility	23.4	15.1	100.0	20.5	24.1	27.8	0.0	20.2	31.3
Did not know how to execute a partnership	11.9	13.2	50.0	11.4	9.4	0.0	33.3	13.1	9.0
Did not know how to find a partner	7.1	11.3	0.0	2.3	7.6	0.0	16.7	7.7	6.0
Sites with at least one comfort barrier	34.1	32.1	75.0	34.1	31.8	27.8	33.3	34.4	32.8
Did not know how to remain neutral	15.9	13.2	50.0	13.6	14.1	16.7	16.7	15.8	14.9
VITA volunteers or staff felt uncomfortable providing assistance	15.5	15.1	25.0	13.6	15.9	11.1	16.7	14.8	16.4
Worried about client privacy	15.1	17.0	50.0	20.5	11.2	11.1	0.0	15.3	14.9
Worried banking partner may charge high fees	5.2	1.9	25.0	9.1	4.1	5.6	0.0	5.5	4.5
Sites with at least one resource barrier	41.7	45.3	75.0	36.4	43.5	33.3	33.3	41.5	41.8
Did not have enough funding or in-kind support	34.9	41.5	75.0	29.5	35.9	33.3	16.7	34.4	35.8
Local banks and credit unions were unwilling or unavailable	9.9	3.8	25.0	9.1	10.6	5.6	16.7	9.3	11.9
Sites with a lack of interest in a banking partnership	52.8	43.4	75.0	52.3	54.1	50.0	50.0	52.5	53.7
Lack of demand for the service at the site	37.7	32.1	75.0	40.9	36.5	11.1	50.0	39.9	32.8
Opening accounts is not part of the organization's mission	15.9	17.0	25.0	6.8	18.2	5.6	16.7	16.4	14.9
VITA site already met client needs through alternative methods	10.7	7.5	0.0	15.9	10.0	33.3	0.0	9.3	13.4
Other or do not know	20.2	24.5	0.0	13.6	20.6	27.8	50.0	20.2	20.9
Other	13.5	17.0	0.0	4.5	14.1	11.1	50.0	15.3	9.0
Do not know	6.7	7.5	0.0	9.1	6.5	16.7	0.0	4.9	11.9
No response	0.8	0.0	0.0	2.3	0.6	0.0	0.0	1.1	0.0
Number of Sites	252	53	4	44	170	18	6	183	67

Sources: US Census Bureau's "2020 Census Demographic Profile" and FDIC VITA Survey *Question 20: "There are different reasons why a VITA site might not partner with a bank or credit union. Which of the following are reasons why this VITA site did not partner with a bank or credit union in 2023? (Select all that apply.)"*

Notes: A site is considered not to have a banking partnership if it answered "No" to Q4. Only nonpartnered sites received Q20. Two nonpartnered VITA sites indicated they delivered only virtual services. Because their service areas may encompass multiple geographic areas, the analyses exclude the demographic and geographic classifications of these two VITA sites.

A census tract designated as having a "Majority" is a tract with at least 50 percent of its population in the given racial or ethnic category. Respondents may be included in more than one census tract designation because: (1) the Hispanic ethnicity is distinct from characterization by race; (2) the tract is evenly split between two racial categories; or (3) a "High Share Native American" tract may comprise a majority of another race or ethnicity. High Share Native American Census tracts are those with at least 15 percent of its population categorized as American Indian or Alaskan Natives. "Other" Census tracts are those with no majority in the other characterizations shown. Population statistics come from the 2020 Census Demographic Profile. For more information see: <https://www.census.gov/data/tables/2023/dec/2020-census-demographic-profile.html>.

A Metropolitan Statistical Area (MSA) is defined as an area composed of one or more counties containing a population of 50,000 or more people. A non-MSA is either a micropolitan area, which is an area that comprises one or more counties that contain a population between 10,000 and 49,999 people, or an area with a population of fewer than 10,000 people. MSA and non-MSA classifications are derived from the March 2020 designations by the Census Bureau. For more information see: <https://www.census.gov/geographies/reference-files/time-series/demo/metro-micro/historical-delineation-files.html>.



Form **W-8BEN**
(Rev. October 2021)

Form **W-9**
(Rev. October 2018)

Request

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

OMB No. 1545-0047

Filing Status Single Married filing jointly Married filing separately (MFS) Head of household

Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the name of the person who is a child but not your dependent.

Your first name and middle initial _____ Last name _____ You _____
If joint return, spouse's first name and middle initial _____ Last name _____ Spouse's social security number _____
Home address (number and street). If you have a P.O. box, see instructions. Apt. no. _____ Presidential Election year _____
City, town, or post office. If you have a foreign address, also complete spaces below. State _____ ZIP code _____ Check here if you, or your spouse if filing jointly, want to go to this fund. Checking a box below will not change your tax or refund.
Foreign country name _____ Foreign province/state/county _____ Foreign postal code _____ You Spouse

Digital Assets At any time during 2022, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, gift, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction **Someone can claim:** You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness **You:** Were born before January 2, 1958 Are blind **Spouse:** Was born before January 2, 1958 Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Income

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a
b	Household employee wages not reported on Form(s) W-2	1b
c	Tip income not reported on line 1a (see instructions)	1c
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d
e	Taxable dependent care benefits from Form 2441, line 26	1e
f	Employer-provided adoption benefits from Form 8839, line 29	1f
g	Wages from Form 8919, line 6	1g
h	Other earned income (see instructions)	1h
i	Nontaxable combat pay election (see instructions)	1i
z	Add lines 1a through 1h	1z
2a	Tax-exempt interest	2a
3a	Qualified dividends	3a
4a	IRA distributions	4a
5a	Pensions and annuities	5a
6a	Social security benefits	6a
b	Taxable interest	2b
b	Ordinary dividends	3b
b	Taxable amount	4b
b	Taxable amount	5b
b	Taxable amount	6b

Attach Sch. B if required.

Standard Deduction for—
• Single or

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