The Economic Impact of the CVTIP on Families and Communities

Nancy McKenna
Manager
Community Volunteer Income Tax Program
Canada Revenue Agency
Phone: 613-941-7395
Email: Nancy.Mckenna@cra-arc.gc.ca

Background on the Community Volunteer Income Tax Program:

The Community Volunteer Income Tax Program (CVITP) is designed to help low income individuals and families to meet their tax filing obligations and ultimately access the credits and benefits designed to help them.

The CVITP is administered through the Canada Revenue Agency (CRA) in an arm’s-length partnership with community organizations and volunteers. Community organizations host free tax preparation clinics and arrange for their volunteers to prepare the returns. Tax preparation clinics are offered in every province and territory.

Through the CVITP, the CRA is able to provide coordinators to help guide community organizations participating in the program, offer training, and give free tax preparation software to the volunteers. Training is offered by webinar. It is designed to show a volunteer how to prepare returns similar to those they will complete in the program by using the tax preparation software.

The CVITP has been operating since 1971. In the province of Quebec, the CVITP has been operating since 1988, and is referred to as the Volunteer Program. It is administered jointly by the CRA and Revenu Québec.

Last year more than 17,000 volunteers and 3,100 organizations helped over 703,000 individuals by completing 786,000 tax returns. Both current and prior year returns are completed through the program.

Recently, in the 2018 federal budget the government provided additional funding to the program to double the size by 2023

Objective of the project and policy context

Recently the CVITP has begun to look some of the direct impacts of the program such as the dollar value of the refunds and benefit entitlements that individuals participating in the CVITP are entitled to ($1.5 Billion) but we realize that the impact goes far beyond that of simply dollars in the hands of those who have returns completed through the program. This includes things such as

- increased spending in the community
- access to other benefits and programs as a result of a tax return being completed
• educational opportunity for both the volunteers and the individuals being helped
• reduced stress on the part of the participant

This Study will provide the CVITP with an understanding of the economic impacts of the program on individuals, families and communities within Canada. The program is looking for ways to provide additional support (community, private sector and government) for the participating organizations. (Many orgs look to grants that request that they show impact of the org’s programs on people – especially low and modest income)

**Benefit to the Student**

• The student will have the opportunity to use their knowledge of statistics and economics as it relates to program impact
• Gain knowledge of the CVITP and the economic impact of filing returns in the context of low income individuals and families
• Will have the opportunity to help shape policy and possible future direction of a CRA program
• Opportunity to apply literature review skills

**Deliverables**

The project can be completed in English or French.

The student will be expected to produce a report detailing the economic impact of the CVITP on individuals, families and communities within Canada. It should detail both direct economic impact as well as indirect. Although the focus of the report should be on current situation, as the federal budget 2018 has set new targets for the program the report should also detail expected impact based new targets and timeline.

The following tasks are expected (dates to be added still)

1. A bibliography of relevant research
   a. Include a note on any strengths or limitations of the research
2. Draft report / initial findings
3. Final report (including any recommendations)
4. Presentation (if possible)

**Meeting Schedule and Course Milestones**

Teleconference or in-person meeting once or twice a week (or more frequently, if required) for approximately 1 hour to discuss project and to identify any issues or concerns.