Guide to virtual self-file model of tax filing

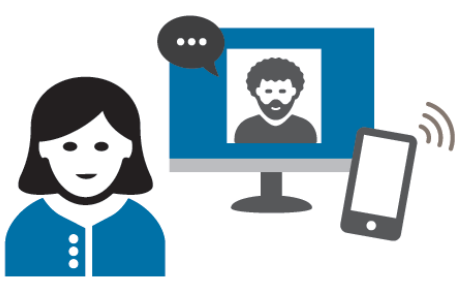
This guide explains two approaches to the virtual self-file tax filing model, which was piloted in 2020 by three community-based organizations in Ontario. This pilot relies on the use of TurboTax for Tax Clinics software directly by the client.

The two approaches described here are:

1. **Video or telephone appointment-based method, supported by a staff member or tax filing volunteer**
2. **Independent filing method, including an intake appointment before-hand and a follow-up appointment afterwards.**

This toolkit was made possible through funding from Intuit Financial Freedom Foundation and Intuit Canada.

We are grateful to Woodgreen Community Services and EBO Financial Education Centre for their contributions to this resource.



Guide to virtual self-file model of tax filing

What is 'virtual self-file' tax filing?

A virtual self-file tax filing approach enables individuals to file their taxes on their own, with the support of an experienced community tax-filing volunteer or financial empowerment practitioner. Within this model, individuals access tax-filing software on their own and file their own return.

The role of the tax filing volunteer is to be available through telephone or video meeting to answer questions about the tax filing process.

The virtual self-file model is different from typical community tax clinic models in that it does not require volunteers to file the return or verify the individual identity of the person filing taxes. This model does still rely on volunteers or financial empowerment practitioners who have tax filing knowledge in order to support individuals when filing their own tax return.

Why is the 'virtual self-file' method helpful?

Each year across Canada community organizations offer free tax clinics in order to file tax returns for individuals living on low-to-moderate incomes, through the Community Volunteer Income Tax Program (CVITP). These tax clinics offer much needed support for people to access tax refunds and maintain eligibility for government benefits.

At the same time, many CVITP tax clinics experience higher demand for tax filing support than they are able to meet given limited numbers of volunteers and limited space to hold appointments. Also, many tax clinic participants are individuals with simple tax situations who are interested in filing their taxes themselves. Enabling this process can then build participants' confidence in managing their own financial matters.

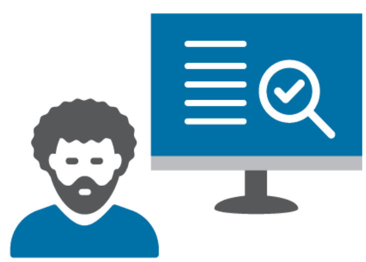
The virtual self-file model is best suited for individuals who have access to a computer and internet connection, have a basic level of digital literacy (are comfortable using email, navigating websites), and who are curious about filing a tax return on their own.

How has the virtual self-file model been delivered in Canada so far?

This model originated as a 'supported self-file' approach which was delivered in-person by WoodGreen Community Services (Toronto, Ontario), in partnership with Intuit and Prosper Canada.

During the onset of the COVID-19 pandemic, these services were re-directed to a virtual delivery model to accommodate the need for remote services under physical distancing protocols. Variations of the virtual self-file have continued operation at WoodGreen (via telephone or web video meeting), EBO in Ottawa, Ontario (via email and telephone support), and Family Services Thames Valley (FSTV) in London, Ontario (via telephone support).

We are grateful to the three organizations above, for their knowledge sharing and enabling the development of this resource package.



Guide to virtual self-file model of tax filing

What is needed in order to deliver the virtual self-file model?

The community agency/organization will need:

- Tax filing volunteers who are experienced in tax filing and able to answer common client questions
- Supervisory staff who can assist tax filing volunteers, oversee communications and appointment process with participants
- Access to TurboTax for Tax Clinics software and a TurboTax account
- Computer workstation and internet connection
- A video meeting application which may be used to 'meet' with clients virtually (such as Google Meet, Microsoft Teams, etc.), OR telephone or email contact which may be used to communicate between clients and tax filing volunteers/staff during advertised hours
- An online form or survey application which may be used to collect client intake information and track client outcomes, if desired for reporting purposes
- Internal privacy measures which align with federal and provincial privacy legislation in your location, in the event that data relating to client outcomes are collected for reporting purposes

T**he client will need:**

- A Social Insurance Number that does not start with 9. (Clients with a SIN that starts with a 9 will not be able to electronically file their return using Turbo Tax/Netfile. They will have to print and mail their tax return, which is significantly slower and less secure than electronic submission.) Access to TurboTax for Tax Clinics software and a TurboTax account
- Computer workstation and internet connection
- Access to video meeting application (if using video meeting method)
- Collected necessary information for tax filing, including Social Insurance Number (SIN), previous-year Notice of Assessment (NOA) if possible, tax slips reporting income (on paper or via CRA MyAccount), and other documents necessary for claiming deductions (such as medical receipts or child care expense receipts)
- Video meeting link information for the appointment (if using 1-step appointment method) OR contact information (if using 2-step method via email and telephone) which may be shared with the tax volunteer, who will be available to support them during the virtual self-file process. Contact information for the volunteer is not shared with the client. The volunteer call the client from an undisclosed number. The volunteer can contact the staff if they need more help or to get in touch with the volunteer.

What are the income guidelines that should be followed?

This program pilot was not part of the Community Volunteer Income Tax Program (CVITP) program, therefore it was not a requirement for participating agencies to follow these income guidelines.

The Virtual Self-Assisted tax filing method may be the kind of project where tax service for low-income self-employed people (or other individuals not typically covered under the CVITP program could be provided if volunteers have the relevant knowledge and can support safely.

However, this tax filing method could also be used for simple tax situation to avoid a lengthy debugging process of complicated taxes. If agencies participating in the virtual self-assisted tax filing program choose to follow CVITP income guidelines, these are listed here: https://www.canada.ca/en/revenue-agency/services/tax/individuals/community-volunteer-income-tax-program/lend-a-hand-individuals/about.html

Local community organizations have the flexibility to adjust or set additional eligibility criteria for tax filers based on their capacity and the population they serve.

Client intake and tax-filing process: 2 approaches

This is a lower-touch approach which enables the client to file their return online and request assistance from a staff member or tax filing volunteer when necessary. In this approach, clients are screened for their level of comfort working with computers and online navigation, and then invited to participate in filing their own return.

Staff/Volunteer members hold 2 appointments: 1 to screen the client's readiness level and 1 to follow-up after they have filed or to help them finish.

Independent self-filing with follow-up appointment ("2 Step" approach)

1 Advantages

- No need to exchange/see the client's sensitive personal information (Name, SIN, date of birth...)
- No need to explain the use of a video software to the client

2 Disadvantage

- It is more difficult to trouble-shoot someone's tax return without seeing what they have done on a screen

3 Requirements for the client

- Be comfortable using computers and conducting transactions online
- Have a simple tax situation
- Be able to register for a TurboTax account (not required, but ideal)
- Have a MyAccount with CRA (not required, but ideal – if the client has this already it likely indicates comfortable computer literacy)

4 Requirements for the agency

- Conduct client screening interviews in order to ensure computer literacy and simple tax situation
- Be able to support clients by answering questions on income tax returns and on the TurboTax software

5 Pre-screening for first appointment

The staff or volunteer should pre-screen clients for their readiness level. Clients should be selected for this tax-filing method if they (1) are interested in learning to do their taxes themselves AND have (2) sufficient computer skills. It is recommended that they are able to answer "yes" to at least 2 of the 4 following screening questions:

- Are you comfortable using a computer?
- Do you shop online?
- Do you bank online?
- Do you have My Account with CRA?

They should also have a simple tax situation, compliant with guidelines for this project (i.e. filing for current or previous year, low-to-moderate income, not filing business taxes, etc).

Note that this pre-screening process does not need to be done by a fully knowledgeable tax-specialist, but solely as an intake process into the program.

After this point, the staff/volunteer should still be ready to refer the client to a more normal income tax services if the client's computer literacy appears not to be sufficient enough or if their tax situation is in fact too complicated.

Client intake and tax-filing process: 2 approaches

6 First appointment: Client tax screening (30 minutes)

The goal of this tax screening appointment is to set the client up for success by preparing them to file their taxes on their own. During this appointment the staff or volunteer review the client's tax situation, to make sure they had access to all information relevant to their tax filing (T-slips, specific credit, marital and dependant status…) and to understand the specificities of their situation in order to guide them effectively through the software afterwards.

Book an appointment with them to follow up after they have filled in as much of their tax return as possible.

Note that this first appointment can be done at the same time as the pre-screen, but it requires a staff/volunteer with enough income tax training.

7 Tax filing process

Immediately after the intake appointment, the staff or volunteer should follow up with the client by sending them an email with the following information (see email template):

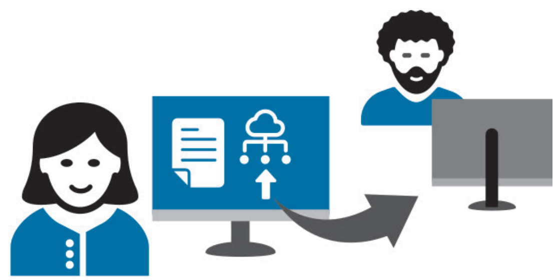
- Link to the Turbo Tax online software
- Link to the Turbo Tax user guide
- Include personalized guidance on using the software for their specific tax situation
- Encouragement to complete as much of the tax return as they can
- Reminder that they will review the return together at the follow-up appointment a few days later

8 Second appointment: Client follow-up (estimated 45 min)

A few days after the initial appointment, the staff or volunteer should hold a follow-up appointment to answer any client questions and support them to file the return. Refer to the information gathered at the intake appointment to check the correct tax slips and information have been input. (See Common Tax Slips tips sheet for more information).

The staff or volunteer may wish to complete a "parallel" tax return to help check that the client has input information correctly, based on their situation – for example, by comparing amount of refund or benefits.

Once the client and staff are satisfied the return has been successfully completed, the client may file the return.



Client intake and tax-filing process: 2 approaches

Full-serve self-file appointment ("One Step")

1 Requirements

- Video meeting application (i.e. Teams, Google Meet, etc.) OR telephone to be used by both the volunteer or staff member, and the client
- A booking process which allows clients to be matched with tax volunteers at their scheduled time
- TurboTax account for both volunteer or staff member, and the client
- Client intake form (if using) in online format
- Appointment outcomes tracking form (if using) in online format
- Client exit survey (if using) in online format

2 Booking the appointment (estimated 1 hour)

- Assign a staff member or volunteer to handle appointment bookings
- Time blocks of 1 hour are recommended, however some clients may need additional time in follow-up booking appointment.
- When booking an appointment, send a confirmation email and advise client:
  - Description of the service and reminder to set up TurboTax account in advance
  - How to sign up for a TurboTax account
  - What information and papers they will need for the meeting
  - The role of the tax filing volunteer (support)
  - Link to the video meeting (must be set for specific date and time, for the specific client and tax volunteer using that appointment)
  - Instructions for being called by a volunteer if using phone service
- Ensure appointment bookings are communicated to client, and confirm:
  - Client name and contact information
  - Confirmation of tax year(s) they will be filing
- Appointment bookings which are volunteer-facing may include:
  - Client name and contact information
  - Confirmation of tax year(s) they will be filing
  - What kind of device the client will be using to file their return (to help the coach prepare for the conversation)
  - Any other pertinent details (e.g. whether a family member will be translating, etc.)

Client intake and tax-filing process: 2 approaches

Preparing for the appointment

Prepare for the client meeting

- View your appointment bookings in your online calendar
- Review any collected client intake information which may inform your support during the appointment
- Open TurboTax using your account
- Open any forms or surveys you may need for your appointment, such as:
  - Intake form
  - Post-meeting survey
  - Outcomes measures

Setting up the call

Intake and doc check

Starting the meeting

- Sign into your video meeting application (I.e. Teams, Google Meet, etc.)
- Greet the client (see introduction script sample, below)
- Obtain client consent in order to proceed (use disclaimer text as sample)
- Complete virtual intake form (if using)
- Complete a 'document check' with the client to ensure they have the necessary materials to complete their return
- Verbally review their tax situation as may be helpful: Learn what the client needs to do for their return that may be unique
- Invite them to begin the return using TurboTax and confirm you are there for questions as needed

Introduction script sample
(From the Full-Serve self-file appointment, "one step" model):

Hi, my name is [Your name], and I am calling from the [Community agency name] Tax Clinic for your Coaching tax appointment.

I'm going to be coaching you through completing your taxes today. Before we start, I'm just going to give you a brief overview of what is going to happen. We expect this appointment to take approximately an hour. I'm going to start by filling out our intake form with you and make sure that you have all the documents you need in front of you. Then we will start to prepare your taxes or review if you have already started. When we are complete, I will walk you through the tax summary and if you have no further questions I will walk you through how to file your return.

Client intake and tax-filing process: 2 approaches

Preparing and reviewing the tax return

Preparing the tax return

- Ask the client if they have already created a Turbo Tax account.
  - **If no** – walk client through steps of creating TurboTax account
  - **If yes** – make sure client is logged in and move ahead
- Walk through complete Tax Return with client
  - If the client has not started a tax return, walk the client through using TurboTax step by step; **OR**
  - If the client has started the return, pick up where they left off or you may just need to answer specific questions the client has.
- Refer to the Turbo Tax User Guide and follow along using your own Turbo Tax account to help guide clients.
- Review the tax return summary and benefit estimate; "Let's review your numbers" – refer to Virtual Review of Tax Return tips
  - Reviewing numbers for Canada Child Benefit, GST/HST Credit, Climate Action Incentive, etc, can be helpful
  - Answer any questions or resolve any errors. If the client has no further questions, the tax return is ready to file!
- Fill out the appointment outcomes/metrics form (if using – not required)

> **Sample script:**
>
> "I just have one more form to fill out, it is the tax metric information. I will record the benefits estimates you will be receiving. These are used for evaluation purposes for our program and are only provided to funders as aggregate information."

Filing the tax return

Filing the tax return

- Walk client through steps of Net Filing through Turbo Tax
- Walk the client through downloading a copy of the tax return
  - Client can log back into their account to see their tax return information.

Evaluation

Complete the exit survey with client (if using)

- Ask the client if they would be willing to answer a couple of questions (should take no longer than 3 to 5 minutes) about their experience using this service.
- **If yes** – the client should open the exit survey on their own computer, and all responses are input privately from the volunteer.

> View the additional documents in this toolkit for more support information including client scripts, sample intake forms, and common tax information for different population groups.