

REPORT

Supporting Rural Workers

The Mixed-Methods Study to Create Community-Designed Approaches for Federal EITC Uptake

August 2023

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This mixed-methods study, *Supporting Rural Workers: Creating Community-Designed Approaches for Federal EITC Uptake*, used grounded theory to build a conceptual model of earned-income-tax-credit (EITC) uptake in the rural South. Working alongside community leaders, our study aimed to (1) develop a comprehensive understanding of EITC uptake in rural North Carolina and (2) identify strategies that rural communities can use to increase uptake of EITC and, potentially, other supports. The Robert Wood Johnson Foundation funded the study.

This document serves to memorialize the study materials. For more background and the results and recommendations, see *Supporting Rural Workers: Creating Community-Designed Approaches for Federal EITC Uptake*.¹ For more detailed literature from prior studies, see *Supporting Rural Workers: Best Practices for Increasing Uptake of the Federal Earned Income Tax Credit among Rural Populations in North Carolina*.²

Methods

Team Organization

The lead research group included experts from Together Transforming Lives Inc., MDC Rural Forward, the UNC School of Government's ncIMPACT Initiative, and the UNC School of Social Work's Jordan Institute for Families. The lead research group invited a diverse group of ten community leaders from seven rural N.C. counties and from several statewide agencies to serve on a research-advisory collective. All members had connections to MDC Rural Forward or to Together Transforming Lives. The collective, in turn, recruited twenty-eight leaders from the same counties for local research teams (LRTs). Each of these leaders had experience working with individuals eligible for the EITC. They identified the best local groups to engage on this topic and assisted with focus-group recruitment.

Members of all groups were financially compensated for their expertise, which shaped research-question development, data-collection instruments, focus-group recruitment, and data analysis. The groups assisted in “ground-truthing” our qualitative data findings and proposed responsive strategies in ways that built local knowledge of research processes.³ We worked to create opportunities for bidirectional and cross-site dialogue, and we ensured that stakeholders informed the work. Team members represented diverse races, ethnicities, genders, ages, geographies, and professional experiences. We focused on relationship and group process to support equity in our work.

1. Sarah Verbiest, Anita Brown-Graham, Alexandra Coffey, Danny Ellis, Phillip Sheldon, Jess Dorrance, and Josh Romero, *Supporting Rural Workers: Creating Community-Designed Approaches for Federal EITC Uptake* (UNC School of Government, 2023), <https://www.sog.unc.edu/publications/reports/supporting-rural-workers-creating-community-designed-approaches-federal-eitc-uptake>.

2. Sarah Verbiest, Anita Brown-Graham, Alexandra Coffey, Danny Ellis, Phillip Sheldon, Jess Dorrance, and Josh Romero, *Supporting Rural Workers: Best Practices for Increasing Uptake of the Federal Earned Income Tax Credit among Rural Populations in North Carolina* (UNC School of Government, 2023), <https://www.sog.unc.edu/publications/reports/reaching-rural-workers-best-practices-increasing-take-earned-tax-credit-eitc-among-rural-populations>.

3. See Ylona Chun Tie, Melanie Birks, and Karen Francis, “Grounded Theory Research: A Design Framework for Novice Researchers,” *SAGE Open Medicine* 7 (January 2019): 2050312118822927, 4–7, <https://doi.org/10.1177/2050312118822927>.

Participants

Between December 2020 and September 2021, 122 people were invited to participate in virtual focus groups or interviews through a combination of purposive and convenience sampling until theme saturation was reached. Ultimately, 110 people joined focus groups and 7 people were interviewed. Study participants were recruited to represent four diverse regions in North Carolina and included community members across Beaufort, Edgecombe, Halifax, McDowell, Nash, Robeson, and Rockingham Counties. The regions represent very different rural landscapes, politics, and populations. Figure 1 shows their geographical distribution.

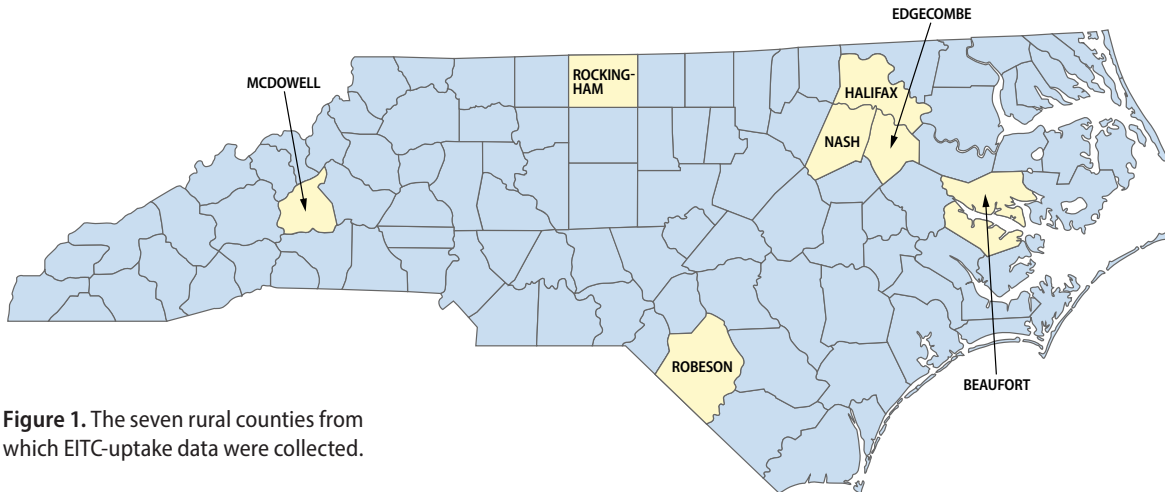


Figure 1. The seven rural counties from which EITC-uptake data were collected.

LRT members codesigned recruitment fliers and advertised the focus groups within their respective networks. Given the importance of relationship in rural North Carolina, recruitment by LRT members was essential. Fliers included information about the EITC, the participant incentive, and a link to register for a focus group. Focus groups were hosted on Zoom due to the COVID-19 pandemic.

Our inclusion was broad; we required only that people reside in one of the counties represented in our sample. However, LRTs focused recruitment on groups that they knew served low-income individuals and on community leaders with strong community connections and knowledge of their communities. One focus group was conducted in Spanish to ensure that the unique experiences of the Latino/a/x community were included.

After reviewing focus-group findings, we used purposive sampling to recruit for key-informant interviews. Organizations and individual contacts with expertise related to our emerging themes were invited to participate. No additional criteria were used to determine eligibility for interview participation. Of the eight individuals invited, seven completed interviews.

All study methods were reviewed by the Office of Human Research Ethics at the University of North Carolina at Chapel Hill.

Data Collection

Data were collected through focus groups and individual key informants using standardized guides. Questions were reviewed by our LRTs and our research-advisory collective to ensure they

were culturally appropriate for each county, designed to elicit honest responses, and aligned with study aims. Interviews and focus-group discussions were semistructured to allow the flexibility to explore emerging areas of inquiry as they arose. Interview questions were tailored to the expertise of each leader.

At the beginning of each focus-group discussion, facilitators set guidelines for the conversation. The facilitators used reflective listening to ensure diverse voices were heard. The N.C. Budget and Tax Center developed a five-minute video on the EITC, specific to the concerns of North Carolinians, which was shown at the beginning of each focus-group session. This provided a common understanding of the EITC for participants to work with. We asked for feedback about the video, giving people a chance to ask additional questions about EITC.

There were multiple notetakers for each focus group to ensure that all responses were accurately captured. Data were collected in two phases to monitor saturation. Preliminary analyses were conducted on the first ten focus groups (comprising seventy-seven participants), and their findings informed the development of a revised focus-group guide that was used for the final five focus groups (thirty-three participants). The revised guide included more-targeted questions about areas of inquiry that were not extensively discussed in the first ten focus groups. For example, we added questions to learn about tax-filing barriers and supports specific to Latino/a/x filers. Findings from the preliminary analyses also informed the development of a guide to key-informant interviews.

See Appendix A for focus-group questions and Appendix B for interview questions.

Data Analysis

Analysis of focus-group and interview data was guided by grounded theory, using inductive coding to identify themes as they emerged.⁴ Focus-group data were analyzed using inductive coding. First, notes from each notetaker were combined into a single document and reviewed for content that was identical between notetakers. Identical content was removed and a final version of the notes from each focus group was created. These documents informed development of our initial codebook. The codebook was tested on notes from two focus groups, after which new codes were added and code definitions were refined to create the final codebook. The final codebook was applied to all focus-group notes by two authors using NVivo 1.5.1 (released July 2021). The codebook authors met to discuss and resolve discrepancies through consensus. The same analytic methods were used for both the preliminary and final analyses. The entire study team provided regular feedback throughout the analysis to help ensure that the analytic process and interpretation of findings were accurate and reflective of the lived experience heard in focus-group discussions. Findings were shared with LRTs, whose feedback deepened our analysis and understanding of the data.

Key-informant interviews were conducted with people representing five state-level organizations, one agency in Alamance County, and one agency in Rockingham County. Interviews were recorded and transcribed. Summaries were then used to conduct a matrix analysis.⁵ The matrix organized participant answers across question domains, allowing responses to similar questions to be compared. Findings from the matrix analysis were integrated with thematic findings from the focus groups to provide additional depth to areas of inquiry.

4. Chun Tie et al., 4–7.

5. See Jennifer Bates Averill, “Matrix Analysis as a Complementary Analytic Strategy in Qualitative Inquiry,” *Qualitative Health Research* 12, no. 6 (July 2002): 855–66.

Appendix A. Questions from the Focus-Group Guide, by Theme

Information Acquisition

Phase I

After watching the video, the facilitator will ask if there are questions/comments.

Would members of your community have a better understanding of the EITC after watching this video?

Do people talk about EITC? If yes, please describe when / where / what people were talking about.

Phase II

Have the stimulus payments led to more conversations about taxes in your community? Do people feel there is an advantage to filing taxes now compared to in 2019?

We are trying to get a good understanding about the people who do not file taxes / ask for EITC. Based on your knowledge of your community / the people you serve and/or know, are there groups of people who would be least likely to receive this benefit? Why?

Have the stimulus payments led to more conversations about taxes in your community? Do people feel there is an advantage to filing taxes now?

Tax Preparation

Phase I

Where do people get their taxes done in your community?

What would encourage the people in your community to claim the EITC? What would discourage them?

Phase II

Saturation was reached in this thematic area after the first phase of focus groups.

Latino/a/x Group

We have heard from other focus groups that there is a need for more bilingual tax preparers, that people with tax identification numbers in mixed status households need more information, and the Public Charge Act is a concern. Are there other barriers people in your community experience when filing taxes?

What would make it easier for folks to file taxes?

Trust

Phase I

Do people in your community trust information from the government on taxes and finances? Why or why not?

Do people in your community trust information on taxes and finances from people not from your community? Why or why not?

Phase II

After watching this video, would your community feel the EITC gives people their own money back or that the government is giving money as part of a program?

How do people in your community feel about the government providing money to people because of the pandemic? Did stimulus payments change how people think about money from the government?

Latino/a/x Group

After watching this video, would your community feel the EITC gives people their own money back or that the government is giving money as part of a program?

How do people in your community feel about the government providing money, or stimulus payments, to people because of the pandemic? Did stimulus payments change how people think about money from the government?

Communication*Phase I*

Where would something be advertised if it needed to be seen by a lot of people in your community?

How does information get to people who are isolated physically? Socially?

What ideas might be useful in spreading the word about the EITC?

How often are resources and information available in Spanish or other languages?

Phase II

We have heard in focus groups that people are concerned they may have to pay back the EITC if they receive it. What would assure folks that they do not have to pay back the EITC?

Would folks in your community use social media to find information about taxes?

When sharing information about filing taxes / the EITC, what should we consider?

Latino/a/x Group

What ideas might be useful in spreading the word about advantages of filing taxes / the EITC?
What type of framing would make folks feel more comfortable?

We have heard in focus groups that people are concerned they may have to pay back the EITC if they receive it. What would assure folks that they do not have to pay back the EITC?

Would folks in your community use social media to find information about taxes?

Appendix B. Interview Questions from the Key-Informant Guide, by Area of Inquiry

General

With over 20% of North Carolinians eligible for the EITC, but not receiving it, we are trying to understand more about who is not receiving it and why. Do you have any thoughts on who may not be receiving the EITC and potential reasons for why they are not receiving it?

What are some ways we could improve uptake of the EITC? What would be most important to do in the short term? What are some long-term strategies that would be important to support?

Tax Preparation

What kind of training do tax preparers receive to file taxes? Do they receive any training specific to filing the EITC? Where do they receive training?

How do tax preparers stay current with tax laws and rules?

Early refunds have been discussed in our focus groups so far. What kind of early tax preparation services do tax preparers provide? Are there industry standards on early refunds?

What is the supply and demand for tax preparation services? Are there enough trained tax preparers in your community?

Do tax preparers advertise VITA site services to their clients?

Systems

Does your department share information about taxes / the EITC with clients? If not, what barriers are there to sharing this information? What kind of supports would help make sharing information about taxes / the EITC easier?

Would your clients find information about the EITC helpful before tax season? What would be the best way to share this information?

Do you know of any employers or organizations in your community that share information about taxes / the EITC with their employees/clients? If not, do you think they would be interested in sharing this information through their networks? What type of supports would they need?

EITC Outreach and Advocacy

Describe your experience with EITC outreach and advocacy efforts. (Can be specific to NC or another state/region.)

Based on your experiences, what are effective ways to frame EITC outreach in communities?

What are some facilitators or barriers to increasing uptake of the EITC? How have you maximized/reduced them to improve reach?

Appendix C. Quotes from Key Participants

Information Acquisition

“Just receiving this information [through the focus group], it makes me want to look even more into this and actually figure out a little more about taxes and the EITC.”

“Some people in my neighborhood that don’t work and have kids, just don’t know about filing taxes and the EITC. . . . They let other people file their children and other people receive the EITC. It’s like they’re oblivious to the fact that they can still file. My niece called me and she got unemployment and [asked], ‘Is it more beneficial for me to file my children or my mother to file my children?’ And I just simply told her, [‘]It is more beneficial for you to file your children because . . . you will have access to all this money.[’] She filed her own children [and] it helped her move forward. . . . She got a new car and found a job.”

“I feel like somebody who could talk to people about simple things like bank account, how to do your taxes properly, what each and everything means[.] There are also folks who are getting older[.] I would love for somebody to explain to me about retirement. I’ve never worked a job—it was consistently under the table, but it is confusing now that I’m in that role. It would be helpful to have someone talk through all this stuff or a resource that folks could connect people to for folks who can’t pay—all these financial tips and tricks.”

“There’s fear that if someone doesn’t have a certain status, that information might get back to the government and it could lead to deportation.”

“We are going to end up paying all these taxes back. . . . So they’re giving us all this money, but yet our taxes are going to go up. We’re going to pay it back regardless in taxes for a period of time.”

“Honestly, until I did my taxes this year, because I always made such a low amount, I didn’t realize that it wasn’t just the government giving that out. Now that I realize how it works, I know that’s not right. That it’s me getting money back.”

“I see a lot of older people that when it comes to taxes that if they heard something that might not be true they will really hold onto that because of the relationships they have with people. I see that with older people they might get a lot of misinformation too. It can work the opposite way too.”

Tax Preparation

“I wouldn’t trust people, they always want to seem like they know more than what they do. I would trust professionals or older family members because they do have experience.”

“We need to make it easier for people who are already managing a lot of stress and hardships in their life to get all they can easily from taxes.”

In Latino/a/x communities, participants felt others were not confident or prepared to file their taxes: “They’re scared to file their taxes. That’s why a lot of people don’t file their taxes. We have the opportunity to get informed better, or we do a class, something that could inform folks about taxes.”

“Most of our clients, they have to pay if they need an interpreter and they don’t have the resources. Sometimes they use their own kids, if they are old enough to do the interpretation. There are some businesses that do taxes and they are Latino/a/x, but they are overload[ed] with work during tax season, so I don’t know if they are getting the service they deserve when they go.”

Trust

“It’s hard to say because a lot of people just think that when you get money there is always going to be a catch at the end. You’re going to end up filing taxes somewhere along the line and we’ll have to pay it back.”

“Folks want to trust the government, but they can’t.”

“I think if they see one person do it and don’t have to pay back then that will have everyone wanting to do it because it’s kind of a follow the leader thing.”

“Taxes are scary. If you’re not sure if you’re eligible, it can be a lot to know.”

“I agree with everyone. There’s fear that if someone doesn’t have a certain status, that information might get back to the government and it could lead to deportation. I would say that before with the Public Charge, the information that this might affect you in case you are eligible for the visa or green card. All that change in information year-to-year, that is what people are like either they fear to apply or to use that benefit. Overall, this is a big issue in Latino/a/x communities.”

“I would suggest people would be more receptive of outsiders if they were vetted or hosted by a community group. It’s about access to the information first, and then decid[ing] whether you’re going to trust it or use it. You could funnel that through a community engagement process or through experts who can get the boxes checked of access and trust at the same time.”

“We’re seeing that happen with the vaccination—how you can use community leaders to put info out to their leaders.”

“It is hard for me to trust people when it comes to my money and government documents. I need to know someone tried it before and it worked. It would take some convincing for me.”

“I haven’t heard that specifically in relation to taxes, but I have heard from people that they don’t want government services or government help. They take care of their own. I can’t give you any specifics but that’s the general feeling.”

Communication

“I lived on the street for a long time [and] when I did get a job, I was clueless about how to fill out the W-2s. I think there’s a level of trust there. . . . So I think it would help if the employers gave information about it.”

“Send a letter saying, ‘Yes, we do have documentation that you [received] the EITC and you don’t have to take anything out of it. It’s not included as income. It’s just free and clear.’”

“A lot of times the language they use when they translate the documents is hard for people who have maybe a 6th grade education to understand—literacy and cultural competency is a part of that too.”

“I think based on my experience with many years in NC, there are people who are not filing their taxes or won’t do it for like 15 years because they don’t have information in Spanish—it’s not people who are doing the taxes, but we do need good information about taxes before filing—we need good education and understanding before filing.”

“People rely on clergy [and] older family members to talk to those younger relatives getting into the workplace. I pass on information I know to my kids, nieces/nephews[.] I feel it’s my job to

pass on that information. I can only speak for myself though. Clergy is really big—they're good, law-abiding, hardworking people[.] Clergy shares a little bit of everything. Information from the church funnels down. Most things, voting registration, etc. goes on through the church. It's the main gathering place here. That gets filtered through the church and eventually to those who don't attend church."