



Grant to Provide Volunteer Taxpayer Assistance Services and Tax Credit Outreach

Fiscal Year (FY) 2024-25 Grant Questions

FY25 Grant Questions received from the grant webinar on October 16, 2024

My organization runs multiple tax sites. Can we send one person to the required training?

No. Your organization must have one representative attend a training for each free tax preparation site that has received grant funding. This ensures each site has a representative equipped to provide training or technical guidance to your volunteers during filing season.

Can you explain the difference between the May 2, 2025, due date and the July 15, 2025, due dates?

May 2, 2025, is the due date for all grantees to submit final reports. July 15, 2025, is the final due date for reimbursement requests for the Tax Credit Outreach grant.

Who can I reach out to if the link to the Grantee Community Center site does not work for me?

Tax Credit Outreach grantees can [email our grant team](#) if they cannot access the Grantee Community Center.

I'd love to collaborate with other volunteer sites. Will you have a Grantee Community Center for the Taxpayer Assistance grant?

A Site Coordinator Hub is coming for free tax preparation sites! More info to come at the virtual VITA and TCE Site Coordinator Season Kickoff Event on October 24, 2024.

Can you explain what forms need to be submitted by the end of October?

FY25 updated budget proposals are due October 31, 2024. If your actual grant award amount is less than the requested amount, you must provide an updated budget proposal. The FY25 Updated Budget Proposal forms are available on the [grant webpage](#).

How can we receive technical support? We are unsure how to answer questions in the forms that we must submit to the IRS.

You do not need to submit IRS forms to us. Please reach out to your IRS Relationship Manager for assistance completing IRS forms. You can [email our grant team](#) with questions about the grant.

Are there templates available for the monthly Tax Credit Outreach reports?

No, but the questions on the report are the same each month. The Tax Credit Outreach Monthly Report is available on the Grantee Community Center.

Our grant funding was less than the amount we requested. Should we submit revised objectives to reflect the budget reduction?

Yes. [Email our grant team](#) with updated budget proposals and objectives by October 31, 2024.

We made some changes. What should we submit to revise indirect costs?

Submit a FY25 updated budget proposal with the 15% indirect cost by October 31, 2024.

Does the requirement for a monthly Tax Credit Outreach grant report apply only to sites that received additional FY25 grant funding, or does it also apply to sites who received a grant for FY24-25 last year?

Monthly reporting is required for all Tax Credit Outreach grantees regardless of the fiscal year you were awarded grant funds.

If we have no budget revisions, is nothing due on Oct 31, 2024, or is a monthly summary still due?

If you received 100% of the funding requested, no updated budget proposal is needed. If your actual grant award amount is less than the requested amount, you must provide an updated budget proposal by October 31, 2024.

A monthly reporting summary for the Tax Credit Outreach grant is due October 31, 2024.

Will you email the request for blank forms to grantees?

We will email Form M281V, *Request for Blank 2024 Minnesota Tax Forms*, to coordinators in early November.

We're considering printing costs. Will you send brochures to our site, or is that something we cover?

We do not send brochures to grantees. You can print materials from the [Promotional Materials webpage](#), or you may create and print your own materials, but any type of advertising must be submitted to us for review and approval each fiscal year.

FY 2025 Grant Questions received between July 1 – July 15, 2024

Can grant funds be used for salaries for funding the management aspects of the VITA/TCE program? How about hiring consultants to review options on structuring or outsourcing the program?

Yes, within reason, and only if your organization must register with the Minnesota Attorney General's office. For more information about allowable salaries, see Proposal Content and Format in the Fiscal Year 2025 RFP.

There is a new question on the MNDOR grant workbook. The instructions state: You must provide a written certification that none of your current principals (public officials, board members, or staff with authority to access grant funds) were convicted of a felony financial crime in the last 10 years.

1. Do you have a sample statement that is acceptable?

Yes. "We confirm none of our current principals, such as public officials, board members, or staff with authority to access grant funds, were convicted of a felony financial crime in the last 10 years."

2. To what extent does the organization have to go to verify such a statement?

Your organization has the option to verify this information however you choose. This could include a background check.

3. Also, does the qualifier "with authority to access grant funds" relate only to staff members or is the qualifier applicable to board members as well? If it only applies to those with authority for grant funds, it will be a smaller group to vet.

"With authority to access grant funds" includes anyone who has access to the bank or business accounts, business financials, etc.

In the grant workbook, should we describe only incremental efforts for the additional FY25 grant funding, or should we fully describe what our program does?

Fully describe your program and answer each question completely. Provide as much detail as possible to help grant reviewers understand your program's efforts.

FY25 Grant Questions received from the grant webinar on June 20, 2024

What are the chances of a current grantee being awarded these additional FY25 grant funds?

Current FY25 grantees are eligible to receive additional FY25 grant funds. To increase your chances, describe how you plan to meet the focused priorities of the additional grant funds.

For FY25 Taxpayer Assistance grant funding, we give priority to organizations that:

- Open new in-person sites
- Commit to expand in-person availability specifically to Tribal reservations and rural areas greater than 50 miles from a current free tax preparation site

We commit to award additional grant funding to organizations with creative solutions to assist taxpayers in person.

What is meant by "one month of allocations is allowable"?

Grant applicants must provide supporting documentation of expenses to ensure they are allowable. For applicants who have cost allocations, one month is sufficient proof.

Are employees who speak another language fluently eligible for salary reimbursement if they are translating outreach materials for the grant program?

Yes.

Will this additional grant funding be available every year?

Grant funding is established by the Legislature. They will determine availability of future funds. The additional \$1 million for each grant is only available for FY25.

What is the priority of this additional FY25 grant funding? One-time projects? Opening new sites?

For FY25 Taxpayer Assistance grant funding, we give priority to organizations that:

- Open new in-person sites
- Commit to expand in-person availability specifically to Tribal reservations and rural areas greater than 50 miles from a current free tax preparation site

We commit to award additional grant funding to organizations with creative solutions to assist taxpayers in person.

Our FY25 Tax Credit Outreach grant funding goals:

- Increase awareness and claims for Minnesota tax credits among demographic groups or geographic regions with historically low rates of participation in eligible credits, not limited to:
 - Child Tax Credit
 - Working Family Credit
 - K-12 Education Credit
 - Renter's Income Tax Credit
 - Homestead Credit Refund (for Homeowners)
- Expand services specifically to:

- Immigrant communities
 - Limited English-speaking communities
 - Senior communities
 - Low-income communities
 - Tribal reservations
 - Rural areas greater than 50 miles from a current free tax preparation site
 - Brooklyn Park
 - Brooklyn Center
 - North Minneapolis
 - Northeast Minneapolis
- Increase publicizing and promotion of Minnesota tax credits to eligible taxpayers in additional languages, not limited to:
 - Spanish
 - Hmong
 - Oromo
 - Somali

Are food and beverage expenses allowed for the Tax Credit Outreach Grant?

No.

Does the Department have contacts for Tribal reservations that they would be willing to share if we are interested in setting up a one or two-day free tax preparation site on a reservation?

[Email the grant team](#) to discuss this request.

For the Tax Credit Outreach grant, if we are not providing volunteer taxpayer assistance services, can we be reimbursed for offering tax classes in another language to interested volunteers?

Yes.

FY 2024-2025 Grant Questions received from the grant webinar on October 18, 2023

Are occupancy costs (rent) and depreciation expenses eligible for the Grant to Provide Volunteer Taxpayer Assistance Services or the Tax Credit Outreach Grant?

Yes. These are allowed expenses under either grant. You cannot, however, request reimbursement for these same expenses under both grants.

Will you send an invite and links to register for the required Minnesota income tax and property tax training webinars?

Yes. Links to register will be on the [grant webpage](#), under Upcoming Webinars, once they are available. We will also send out an email invite once we have the registration links.

If we received a grant award less than we requested in our proposal, do we need to submit a revised budget?

Yes. You must send an updated budget proposal by October 31. You can find the FY24 Updated Budget Proposal on the [grant webpage](#), under Information and Forms for the Fiscal Year 2024-2025 RFP.

For organizations receiving \$50,000 or more, are the site monitoring visits yearly or for the whole grant period?

The visits are per fiscal year. We will conduct a grant monitoring visit to any organization with a grant award over \$50,000 each fiscal year.

Are administration, human resources, fiscal, rent, and utility costs allowed expenses for one or both grants?

Yes. These are allowed expenses under either grant. You cannot, however, request reimbursement for these same expenses under both grants.

Who is required to attend the required Minnesota tax training webinars?

For Taxpayer Assistance grantees, one representative from your organization must attend a required Minnesota Individual Income Tax webinar and a required Minnesota Property Tax training webinar. A representative must attend for each free tax preparation site you are receiving grant funding for. Tax Credit Outreach grantees are invited to attend if they would like, but it is not a requirement for them.

Are grant monitoring visits required for new grantees?

Yes. The Minnesota Department of Revenue will conduct a monitoring visit and financial reconciliation in person, by video conference, or by phone during each tax filing season for any of these:

- New grantees
- Organizations receiving advance payments
- Grantees receiving over \$50,000
- Other organizations randomly selected

We will send letters out in January notifying organizations who we've selected for a monitoring visit.

For mileage reimbursement for volunteers, can we only charge 14 cents per mile to the grant? We pay our volunteers the IRS business rate and often use a different funding source for this because it's our understand that we cannot use the business rate for volunteers in this budget. Is this correct?

Yes. Mileage reimbursement for volunteers is 14 cents per mile.

Are Tax Credit Outreach grantees able to request mileage reimbursement? Can you clarify the Tax Credit Outreach grant period and reimbursement period?

For the Tax Credit Outreach Grant, you can request mileage reimbursement only for employees.

The FY24 Tax Credit Outreach Grant period is October 1, 2023 (or when both parties sign the grant contract, whichever is later) through June 30, 2024. The FY25 grant period is October 1, 2024, through June 30, 2025. You can submit reimbursement requests when the progress report is due, when the final report is due, or by July 15 of each fiscal year. You can find these dates in the grant contract, the RFP, and on the grant webpage.

Is the Child Tax Credit and Outreach Toolkit event on November 2 remote or in-person?

It is a hybrid event. You can join in person or virtually. We sent an email to grantees on October 18, 2023, with the links to register.

What is the best way to learn about any credits that we are less familiar with because our clients have not qualified for them in the past (e.g., the K-12 Education Credit)?

You can learn more about the tax credits being promoted by the Tax Credit Outreach grantees by going to our [Promotional Materials page](#).

FY 2024-2025 Grant Questions received between June 30 – July 14, 2024

Is the \$25,000 or more requirement for providing some additional financial information per year or in total for both years? For example, if \$15,000 is requested for both FY24 and FY25, has the threshold been exceeded? Also, is it per type of grant or combined if the applicant is applying under both grants?

This requirement is per two-year grant period and per grant. If an organization requests \$15,000 for FY24 and \$15,000 for FY25, this would exceed the threshold.

If an applicant files for both grants and is awarded an amount under both grants, may the funds be transferred between the two grants if situations change with program operation? For example, it was possible under prior Taxpayer Assistance grant contracts to move funds between category needs (e.g., advertising to equipment).

Grant funds cannot be transferred from one grant to the other because they are separate appropriations. You are only allowed to move funds between expense categories under the same grant contract.

Where can we get information on who has historically not taken advantage of the tax credits the Tax Credit Outreach grant is promoting? The Minnesota data you shared for 2019 provided utilization by county, but not by the groups targeted such as immigrant communities or certain demographic groups. Do you have any info by ZIP code?

We do not have further information readily available before the Request for Proposals due date. We can work on providing more information at a later date that may help organizations refine promotional strategies.

The TaxSlayer software does not provide “data mining” capability for Minnesota credits that would tell us what our current credit utilization might be. Does Revenue have any influence in generating such reports?

No. You can, however, find the number of Working Family Credits claimed by county [on our website](#).

We also have estimates of the number of income tax filers who appear eligible for credits but do not claim them. Note that this information is imperfect, as it excludes potentially eligible nonfilers and may include taxpayers who are ineligible for these tax credits for reasons we cannot determine from income tax returns.

The new tax law changes include substantial revisions to eligibility for these credits. Here are some considerations to take when applying for the Tax Credit Outreach Grant:

- Review census data for the communities you intend to target
- Review the [Economic Status of Minnesotans 2023 Report](#) provided by the Minnesota State Demographic Center
- Taxpayers may amend some prior year returns to claim these credits
- We believe outreach will be effective in any area of the state

Will Revenue be creating promotional flyers regarding the various credits, or does the grantee need to do that? Will you be translating these brochures in any languages?

You are encouraged to create your own materials, but any resources we create will be available to all grantees. We will do our best to provide these resources as soon as possible, but they will likely not be available until later this fall.

The Tax Credit Outreach grant provides funds to create and print materials and to translate those materials into other languages. We will translate our materials into Spanish, Hmong, and Somali.

We offer remote preparation of Forms M1PR after property tax statements are out and after the normal filing season has ended. We get permission during the filing of income tax returns to call clients, go over Form M1PR, and add property tax statements. For the site data sheets, how do we show the hours of working with the taxpayers? Can we list the hours of service based on an assumption of 30 minutes per Form M1PR prepared?

For the site data tables, estimate the number of days and hours that your organization prepares returns during the off-season, and the typical time of year that the work is completed.

FY 2024-2025 Grant Questions received from the grant webinar on June 21, 2023

If an organization does not offer taxpayer assistance services, do they qualify for this grant?

Organizations may send proposals for two different grants.

The Taxpayer Assistance Grant is for providing volunteer taxpayer assistance (free tax preparation) to Minnesotans who are low-income, elderly, and disadvantaged.

The new Tax Credit Outreach Grant is for publicizing and promoting the availability of eligible tax credits, providing volunteer taxpayer assistance services, or both.

An organization may send proposals for one or both of these grants.

Does the Department of Revenue have maps or data on regional tax credit participation rates?

You can find the number of Working Family Credits claimed by county [on our website](#).

We also have estimates of the number of income tax filers who appear eligible for the credit but do not claim it. Note that this information is imperfect as it excludes potentially eligible nonfilers and may include taxpayers who are ineligible for these tax credits for reasons we cannot determine from their income tax return.

The new tax law changes include substantial revisions to eligibility for these credits. Here are some considerations to take when applying for the Tax Credit Outreach Grant:

- Review census data for the communities you intend to target
- Review the [Economic Status of Minnesotans 2023 Report](#) provided by the Minnesota State Demographic Center
- Taxpayers may amend some prior-year returns to claim these credits
- We believe outreach will be effective in any area of the state

Do you have a source for identifying the population areas that are not claiming the tax credits?

We compare the number of Working Family Credits to census data to help identify areas with low participation rates. Census data includes the whole population, so it allows us to identify areas with nonfilers who may be eligible for the credit.

Although there may be regional variations, we believe that most Minnesota households would benefit from these credits targeting low-income taxpayers who are not claiming them:

- Child Tax Credit
- Working Family Credit
- K-12 Education Credit
- Renter's Income Tax Credit
- Homestead Credit Refund (for Homeowners)

Will the Tax Credit Outreach Grant cover expenses of operating a free tax preparation site or just publicity and promotion of eligible tax credits?

Funds from the Tax Credit Outreach Grant may cover providing volunteer taxpayer assistance services, publicizing and promoting the availability of eligible credits, or both.

Can I apply for both grants?

You could apply for both grants based on the services your organization is providing. You should only request the amount of grant funding that you need to provide these services. Do not request double by applying for the same funding under both grants.

What funding is available compared to last year? How should we divide grant funding requests between two grants?

\$700,000 was allocated to FY22 and \$750,000 was allocated to FY23 for the Taxpayer Assistance Grant.

\$750,000 is allocated to FY24 and \$750,000 is allocated for FY25 for the Taxpayer Assistance Grant.

The new Tax Credit Outreach Grant allocates \$1,000,000 to FY24 and \$1,000,000 to FY25.

You could apply for both grants based on the services your organization is providing. You should only request the amount of grant funding that you need to provide these services. Do not request double by applying for the same funding under both grants.

Because we can only submit actual expenses under one grant, can we ask for similar expenses under both grants?

You can apply for whichever grant you prefer, depending on the services your organization is providing. You should only request what you need. Do not apply for the same amount of funding under both grants, as you may be awarded double the amount of funds you need to provide free tax preparation services or tax credit outreach.

For the \$500 food limit, would employee meal expenses during travel count towards the \$500 limit?

No. The \$500 food limit is only for volunteers. It does not apply to employee meals.

Is grant funding allowed for staff to prepare or quality review returns that volunteers were not able to complete?

No. We do not provide salary funding for preparing or reviewing tax returns by staff.

Is the mileage reimbursement amount the same as the federal amount at that time or limited to the amount usually allowed for volunteers?

Mileage reimbursement to volunteers is limited to the IRS's business standard mileage rate. Charitable organizations may reimburse a volunteer up to 14 cents per mile and an employee up to 65.5 cents per mile. When requesting mileage reimbursement, refer to the grant Request for Proposals and the [IRS Standard Mileage Rates webpage](#) for details.

Requests for year 1 (FY24) expenses are due by the end of August 2024, which means we need to not conduct grant activities in August (to finalize reports by the deadline) and year 2 (FY25) does not start till October 1, 2024. Are grant activities not allowed in August or September of each year?

For FY24, you must have spent grant funds between October 1, 2023 (or when the grant contract is fully executed), and August 31, 2024. Reimbursement requests are due August 31, 2024.

For FY25, you must have spent grant funds between October 1, 2024, and August 31, 2025. Reimbursement requests are due August 31, 2025.

Organizations may not spend grant money in September of each fiscal year.

Is the K-12 Education Tax Credit one of the credits that is eligible for funding under the Tax Credit Outreach grant?

Yes. The Tax Credit Outreach Grant allows funding to publicize and promote the availability of eligible credits to taxpayers likely to be eligible for those credits.

Eligible credit means a credit targeting low-income taxpayers, including but not limited to the credits under Minnesota Statutes, sections 290A, 290.0661, and 290.0693.

The credits include, but are not limited to:

- Child Tax Credit
- Working Family Credit
- K-12 Education Credit
- Renter's Income Tax Credit
- Homestead Credit Refund (for Homeowners)

Is there a comprehensive list of eligible tax credits?

Eligible credit means a credit targeting low-income taxpayers, including but not limited to the credits under Minnesota Statutes, sections 290A, 290.0661, and 290.0693.

Eligible credits include, but are not limited to:

- Child Tax Credit
- Working Family Credit
- K-12 Education Credit
- Renter's Income Tax Credit
- Homestead Credit Refund (for Homeowners)

Will multiple reviewers be able to see and update a single workbook?

The grant workbook is a fillable PDF. If you save it to your computer, you should be able to share it with others.

What advice would you give to an organization who is trying to start a free tax preparation site?

Contact one of the Minnesota Department of Revenue's Outreach Coordinators. They can help and consult with organizations who want to open a free tax preparation site in Minnesota and get them connected to an IRS Relationship Manager.

- Meiko Yang: Meiko.Ma.Yang@state.mn.us
- Denise Rivera: Denise.Rivera@state.mn.us
- Safiya Farah: Safiya.Farah@state.mn.us

What is the range of grants awarded?

Many factors go into the amount awarded. This includes the number of organizations applying, the amount of funds available, and the amount of funding each organization requests.

Can you explain how the Tax Credit Outreach Grant differs from the Taxpayer Assistance Grant?

The Tax Credit Outreach Grant is for funding for publicizing and promoting the availability of eligible credits to taxpayers likely to be eligible for those credits, providing taxpayer assistance services, or both.

The Taxpayer Assistance Grant is for providing volunteer taxpayer assistance services to Minnesotans who are low-income, elderly, and disadvantaged.

Why is there a new Tax Credit Outreach Grant versus increasing the amount for the Taxpayer Assistance Grant?

The new grant was passed and signed into law during Minnesota's 2023 legislative session.

How many Tax Credit Outreach grants do you anticipate awarding?

Because this is a new grant, we do not know this information. We hope to award grant funds to as many eligible organizations as possible to help publicize and promote the availability of Minnesota tax credits.

Do organizations come up with the dollar amount to ask for? Do we need to provide a detailed description of what we can do, and Revenue decides how much will be awarded?

Each organization applying for grant funding will need to determine the dollar amount needed to provide volunteer taxpayer assistance services, publicize and promote the availability of eligible tax credits, or both.

You will need to detail the funds needed in your budget worksheet. You may or may not be awarded the full amount requested.

Is there a minimum request amount for the grants?

No.

Do you know what kind of materials Revenue will be creating on each of the tax credit areas?

You are encouraged to create your own materials, but any resources we create will be available to all grantees. We will do our best to provide these resources as soon as possible, but they will likely not be available until later this fall.

Will Revenue provide promotional materials for the Tax Credit Outreach Grant? For example, should we request funds to print flyers, or will flyers be provided?

We will do our best to provide promotional materials as soon as possible, but these will likely not be available until later this fall.

You can request Tax Credit Outreach Grant funds for advertising (including the cost of translation) and digital content (social media, videos, podcasts, infographics, etc.). This includes creating and printing flyers.