

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 668
Apr 1, 2025
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH40369-NGa-34

Short Title: NC Working Families Economic Relief Act. (Public)

Sponsors: Representative Crawford.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A GRANT PROGRAM AT NORTH CAROLINA COMMUNITY
3 COLLEGES TO EXPAND INCOME TAX ASSISTANCE IN THE STATE AND TO
4 PROVIDE FUNDS TO THE UNITED WAY OF NORTH CAROLINA TO EXPAND ITS
5 VOLUNTEER INCOME TAX ASSISTANCE PROGRAM.

6 Whereas, it is estimated that 225,000 North Carolina filers are eligible for the Federal
7 Earned Income Tax Credit but do not claim the credit; and

8 Whereas, it is estimated that the average Earned Income Tax Credit is about \$2,812
9 per filer; and

10 Whereas, the Internal Revenue Service (IRS) provides a federal program, the
11 Volunteer Income Tax Assistance (VITA) program, for which grants are available. VITA
12 provides for individuals who make below a certain income threshold per year to have their taxes
13 completed by an IRS-certified individual for free, allowing them to take full advantage of every
14 federal tax credit and return more of North Carolina's hard-earned dollars to our citizens, putting
15 more money into our economy; and

16 Whereas, community colleges can provide work-based learning opportunities for
17 students; Now, therefore,

18 The General Assembly of North Carolina enacts:

19
20 **PART I. GRANT PROGRAM AT NORTH CAROLINA COMMUNITY COLLEGES TO**
21 **EXPAND INCOME TAX ASSISTANCE IN THE STATE**

22 **SECTION 1.(a)** Program Established. – Within the funds appropriated in subsection
23 (d) of this section, the State Board of Community Colleges shall establish a grant program for
24 participating community college campuses to offer courses to students to become tax preparers
25 as part of the Volunteer Income Tax Assistance (VITA) program and to facilitate providing VITA
26 services to all students on campus, as well as community members. The Internal Revenue Service
27 (IRS) offers free tax help through VITA to (i) people who generally make sixty-seven thousand
28 dollars (\$67,000) or less, (ii) persons with disabilities, and (iii) limited English-speaking
29 taxpayers who need assistance in preparing their own tax returns. The goal of the grant program
30 shall be for community colleges to provide work-based opportunities to students while
31 facilitating access to the VITA program for their local communities.

32 **SECTION 1.(b)** Components of the Program. – In administering the grant program,
33 the State Board of Community Colleges shall require participating community colleges to do at
34 least the following:

- 35 (1) Offer the following courses to students interested in becoming certified as tax
36 preparers for the VITA program:



* D R H 4 0 3 6 9 - N G A - 3 4 *

- a. A fall curriculum course for the purposes of teaching basic tax accounting and training students on the preparation of federal and North Carolina tax returns. The course shall lead to the completion of the IRS Link and Learn training to become certified as tax preparers for the VITA program.
 - b. A spring work-based learning course where students commit to 15 hours per week from January through April 15 to prepare taxes.
- (2) Designate a faculty champion to facilitate the program.
 - (3) Provide VITA services to be offered to all students on campus as well as community members.

SECTION 1.(c) Applications for Grants. – A community college shall apply for a grant to the State Board with a plan to implement the VITA program on its campus with at least the following information:

- (1) A time line for implementing the curriculum and a recruitment of students to become certified as VITA tax preparers.
- (2) Options for paid work-based opportunities for students as part of the spring curriculum. Students shall be provided hourly compensation for tax preparation assistance during tax season as part of the program.
- (3) Start-up and ongoing costs for personnel, including site coordinators and quality reviewers, and budget for continuing costs for running the VITA program.

SECTION 1.(d) Appropriation. – There is appropriated from the General Fund to the Community Colleges System Office the sum of one million three hundred eighty thousand dollars (\$1,380,000) in nonrecurring funds and six hundred ten thousand dollars (\$610,000) in recurring funds for the 2025-2026 fiscal year to implement the grant program in accordance with this act. The funds shall be used as follows with any unexpended funds returned to the System Office:

- (1) For the 2025-2026 fiscal year, the sum of seven hundred ninety thousand dollars (\$790,000) in nonrecurring funds may be used for creation of the curriculum, for bonuses of up to one thousand five hundred dollars (\$1,500) per community college receiving a grant to support a faculty champion on campus, to support hiring personnel for the VITA program, and to establish work-based learning opportunities for students.
- (2) For the 2025-2026 fiscal year and for subsequent fiscal years, six hundred ten thousand dollars (\$610,000) in recurring funds may be used to support hiring personnel for the VITA program and to establish work-based learning opportunities for students. The System Office may use up to fifty thousand dollars (\$50,000) of the recurring funds appropriated for the program each fiscal year for administrative costs associated with administering the grant program.

SECTION 1.(e) Of the nonrecurring funds appropriated to the Community Colleges System Office in subsection (d) of this section for the 2025-2026 fiscal year, the sum of up to five hundred ninety thousand dollars (\$590,000) shall not revert at the end of the 2025-2026 fiscal year but shall remain available until the end of the 2026-2027 fiscal year to provide bonuses of up to five hundred dollars (\$500.00) per community college receiving a grant to support a faculty champion on campus, to support hiring personnel for the VITA program, and to establish work-based learning opportunities for students.

SECTION 1.(f) There is appropriated from the General Fund to the Department of Revenue the sum of fifty thousand dollars (\$50,000) in nonrecurring funds and one hundred thousand dollars (\$100,000) in recurring funds for the 2025-2026 fiscal year to provide training and technical assistance to community college campus personnel and students participating in

the grant program in accordance with this act. The Department of Revenue may use the funds appropriated pursuant to this section to contract with a third-party vendor to provide technical assistance and support for the program.

PART II. FUNDS TO THE UNITED WAY OF NORTH CAROLINA TO EXPAND ITS VOLUNTEER INCOME TAX ASSISTANCE PROGRAM

SECTION 2. There is appropriated from the General Fund to the Office of State Budget and Management the sum of eight hundred forty thousand dollars (\$840,000) in nonrecurring funds for the 2025-2026 fiscal year to be allocated as a directed grant to the United Way of North Carolina to expand its Volunteer Income Tax Assistance (VITA) program. These funds shall be used to increase the number of VITA locations, provide dedicated staff to support evaluation of the program and recruitment, provide needed software and office supplies for the program, and improve marketing and communication efforts to include multilingual materials, connection to online resources where internet is available, and educational opportunities on household budgeting, financial planning, and other resources to improve financial skills. These funds shall not revert at the end of the 2025-2026 fiscal year but shall remain available until the end of the 2026-2027 fiscal year.

PART III. EFFECTIVE DATE

SECTION 3. This act becomes effective July 1, 2025.