

Tax Time Savings Bonds

A Toolkit for Legislators



*Help Them Reach Their Dreams:
Save for the Future with Savings Bonds at Tax Time*

www.bondsmakeiteasy.org



Encouraging Savings: Help Constituents Save at Tax Time

Spreading the Word about Buying U.S. Savings Bonds with This Year's Tax Refund

Dear Elected Official,

Thank you for your interest in the U.S. Savings Bonds at Tax Time Campaign. Starting this year, every single U.S. taxpayer who is eligible for a federal tax refund will be able to use all or a portion of that refund to purchase U.S. Savings Bonds—directly through their tax return. The bonds can be purchased in the taxpayer's name, or on behalf of a loved one. The U.S. Treasury Department implemented this program to encourage all Americans to save for the future.

There is a large outreach campaign underway this year to encourage consumers to participate in this program. The Tax Time Savings Bond Campaign was created by Doorways to Dreams (D2D), in partnership with the Savings Bond Working Group (SBWG), which is a coalition of national and local organizations ranging from grassroots tax preparation organizations and policy groups to industry partners and government officials.

We're hopeful that you'll join us in spreading the word. Elected officials at the federal, state and local level have a unique ability to reach a large audience. You can play a role in educating your constituents about an easy way to save now, which can help them build for a safe and secure future.

In this toolkit you'll find all the background and materials you need to get involved. Some ways you can help:

- Place an article in your constituent newsletter and on your website about the Savings Bonds at Tax Time program.
- Write an op-ed to submit to your local or state newspaper talking about the benefits of the program and how easy it is to participate.
- Provide information about the savings bond program in your local offices—you can order free posters and brochures from the campaign website: **www.bondsmakeiteasy.org**.
- Hold a press event with free tax preparation site coordinators or local advocates to further draw attention to the program.
- Consider purchasing U.S. Savings Bonds yourself during tax time and promote that purchase.



For many Americans, tax time is a great opportunity to save. In tax year 2007, approximately 100 million Americans received a federal tax refund, totaling over \$246 billion. Families who make less than \$40,000 a year received more than \$120 billion in refunds, averaging \$1,780 per filer.

Americans who live paycheck to paycheck have a very hard time saving during the year, so helping them save at tax time when they have significant refunds is particularly important. Recent polls show that 30 percent of Americans have less than \$500 in savings, and 46 percent of Americans think they could not or probably could not come up with \$2,000 if they had an unexpected need in the next month.

D2D conducted a four-year pilot that demonstrated the appeal of U. S. Savings Bonds as an easy, convenient means of saving at a time when many taxpayers have sizeable tax refunds. That pilot showed that many people purchased bonds, for an average amount of about \$150, that four out of five did it for their child or grandchild, and that many became repeat buyers. The study also showed that pilot participants used the bonds for long term savings; 9 out of 10 held on to the bond for at least a year—just like other savings bond purchasers.

We hope you'll join us in spreading the word about the importance of saving and the ease of saving through U.S. Savings Bonds at tax time. Savings bonds are a safe, familiar, government-issued savings vehicle that can be purchased in the taxpayer's name or in the name of a child or grandchild. If they are stolen, destroyed or lost, they can be replaced. They can be purchased for as little as \$50 or as much as \$5,000.

D2D and the Savings Bond Working Group believe that increasing access to saving and increasing the ease of saving plays a large role in the future health of the economy. U.S. Savings Bonds have a unique and profound role to play in helping working Americans save for their own futures. Please visit www.bondsmakeiteasy.org.

Sincerely,

Tim Flacke, Executive Director
Doorways to Dreams Fund and the Savings Bond Working Group



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Outreach Activities to Educate Constituents about the Tax Time Savings Bond Campaign

The Tax Time Savings Bond campaign encourages taxpayers to save and build family economic security. Since the IRS has just started to offer the option to use tax refunds to buy savings bonds, very few taxpayers are aware of this new program.

Elected officials have many opportunities to increase awareness of this new option and build connections with their constituents. Following are some easy ways to help your constituents learn about this opportunity to save.

1. Provide Informational Materials in Your District and Washington, D.C. Offices

Elected official can order posters, brochures, post-it notes, buttons and table tents at www.bondsmakeiteasy.org/taxpreparers/materials. Flyers, brochures, table-tents and posters can also be downloaded from that site. These are all available in English and Spanish, and the flyer is available in seven languages.

These materials are perfect for constituent events. Please share the link with your state's community organizations and ask them to distribute the materials as well.

2. Place an Article in Your Constituent Newsletter and on your Website about the Tax Time Savings Bond Campaign

This is an excellent and easy way to get the word out to your constituents. By including a link to www.bondsmakeiteasy.org, constituents will be able to view a short introductory video as well learn more details about how the bonds work, and how they can purchase them through their tax return.

A sample newsletter/website article is included in this toolkit

3. Submit an Op-Ed to Your Local or State Newspaper that Discusses the Benefits of the Program and How Easy it is to Participate

Newspapers are more likely to run op-eds from legislators so this is a good way to help spread the word about this important program. In the modern internet world, op-eds are particularly fruitful. Your constituents can still read the op-ed in the paper, but the piece can also reach many more people since it will also turn up in internet searches.

A sample op-ed is included in this toolkit



4. Post A Blog on your Website or Guest Blog

If you blog regularly on your website, this is a great topic. If you don't—or if you want to reach a different audience—consider posting a guest blog on the website of a newspaper in your jurisdiction, or on a blog that covers personal finance. Because it's so much less expensive to post a blog than to print a paper, newspapers often accept blogs for the internet that will not appear in the printed edition.

A sample blog is included in this toolkit

5. Tweet It—Once, Twice, Or Several Times

Since the people who follow you on Twitter are likely to be supporters and reporters, this is a nice way to give a little back to your strongest supporters and to draw press attention to the campaign. You can run a series of tweets about using tax refunds to buy savings bonds, starting with one that lets people know you support the campaign and ending on April 18, when taxes are due.

Sample tweets are included in this toolkit

6. Talk about Buying Savings Bonds When You Hold Town Hall Meetings

If you hold a town hall meeting during this tax season, you can provide your constituents with information about the opportunity to buy savings bonds with their tax refunds. Hand out flyers and ask that audience members share flyers with their co-workers or that offices display information about the savings bond programs in their lunchroom or staff break rooms.

7. Join Local Outreach Efforts

Doorways to Dreams and the Savings Bond Working Group are spearheading special outreach efforts in 2011 in Philadelphia, Boston, Maryland, Alabama, and at military installations including Fort Hood, Texas. If your district is in one of these areas, we can connect you with the outreach efforts. Your support—from activities as simple as providing a quote for a press release, to highly visible opportunities including speaking at launch events—can strengthen those efforts.

8. Mention This Opportunity During a Site Visit to a Tax Preparation Site

The Volunteer Income Tax Assistance Program (VITA), which is funded in part by the IRS, is available nationwide and offers free tax help to low to moderate income (approximately \$42,000 and below) people. VITA sites are usually located at



community centers, libraries, schools, malls or other convenient locations. Most locations also offer free electronic filing. Tax services are also available for seniors and military.

VITA sites are a great place to publicize the new savings bond purchase option, because so many low and moderate income working families receive significant refunds due to their Earned Income Tax Credit and Child Tax Credit. These are precisely the families who live paycheck to paycheck during the year, so letting them know how they can save when they have a little extra money is a particularly good way to foster savings.

Many VITA sites are already involved with the Tax Time Savings Bond campaign. A great way to draw attention to VITA sites is by conducting a site visit and inviting the media. Most sites would gladly welcome an elected official visit anytime throughout tax season. Most tax sites are happy to help arrange press activities around these visits.

To locate the nearest VITA site in your district or state, call 1-800-829-1040.

Template Site Visit Materials are available at

www.taxcreditsforworkingfamilies.com/wp-content/uploads/2010/10/echapter2.pdf

9. Purchase a Tax Time U.S. Savings Bonds for Yourself and Publicize the Purchase

It's simple, safe, and builds financial security. The best way to convince others to try it is to show them you will do it yourself.



SAMPLE MEDIA ADVISORY

Elected Official's Header

Media Advisory

Contact:

Date

Name, Number, Email

[Elected Official] to Join [State Organization] at [Free Tax Site/ Other Event] Promoting the Availability of Savings Bonds During Tax Time

All U.S. Taxpayers Receiving Tax Refunds are Eligible

- WHAT:** A press conference/ rally / launch event highlighting a new U.S. Savings Bond program that makes saving money safe and easy during tax time.
- WHO:** Elected officials names, local leaders, advocate names, etc.
- WHERE:** Location address
- WHEN:** Time and date

(CITY) – [Elected Official Name] will be joining [local organization/ advocates] at a [press/conference/rally/launch event] to raise awareness about a program allowing taxpayers to directly purchase U.S. Savings Bonds with their federal tax refund.

“This new program allows families to directly put all or part of their tax refund into safe U.S. Savings Bonds, which is an excellent way to help them plan for the future,” [Elected Official Name] said. “I’m pleased to be part of efforts to spread the word and I encourage every American who is eligible for a refund to take part in this easy program.”

As part of a new initiative started last year by the federal government, all U.S. taxpayers who receive refunds can now directly purchase U.S. Savings Bonds through their federal tax return. In tax year 2007, approximately 100 million Americans received a federal tax refund, totaling over \$246 billion. Families who make less than \$40,000 a year received more than \$120 billion in refunds, averaging \$1,780 per filer.

Taxpayers can put as little as \$50 of their refund into a savings bond or as much as \$5,000. An especially appealing aspect of the savings bond program is that the bonds can be purchased in the taxpayer’s name or in the name of their children or



grandchildren, teaching the next generation about the importance of saving and planning, and giving them a future with more opportunities.

“We’re honored that [Elected Official Name] is joining us for our tax site launch/ rally/ event and shares our dedication to helping families save for the future,” [Advocate Name] said. “In these tough economic times, it can be more difficult than ever to save, but it’s also more important than ever.”

For more information, please visit www.bondsmakeiteasy.org.

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SAMPLE PRESS RELEASE

Elected Official's Header

For Immediate Release
Date

Contact:
Name, Number, Email

[Elected Official] Urges [State] Residents to Take Advantage of Savings Bonds During Tax Time *New Tax Program Makes Saving Safe and Easy*

(CITY) – [Elected Official Name] today urged [State]n's to use a portion of their federal tax refund to buy U.S. Savings Bonds this year. As part of a new initiative started last year, all U.S. taxpayers who receive refunds can now directly purchase U.S. Savings Bonds through their federal tax return.

"For many years, Americans were living beyond their means and savings was pushed to the side. As people are now getting back to basics and starting to save again, purchasing U.S. Savings Bond at tax time is a perfect fit," [Elected Official] said. "For families living paycheck to paycheck, saving throughout the year is very difficult, but their tax refund gives them a chance to save for the future starting at only \$50."

For many Americans, tax time is a great opportunity to save. In tax year 2007, approximately 100 million Americans received a federal tax refund, totaling over \$24.6 billion. Among families who make less than \$40,000 a year, more than \$120 billion in refunds were received, averaging \$1,780 per filer.

U.S. Savings Bonds are appealing to taxpayers for a variety of reasons. Anyone can buy a U.S. Savings Bond, even if they don't have a bank account or can save only a few dollars at a time. An especially appealing aspect of the savings bond program is that the bonds can be purchased in the taxpayer's name or in the name of their children or grandchildren, teaching the next generation about the importance of saving and planning, and creating more opportunities for the child's future.

Advantages to purchasing a U.S. Savings Bond during tax time:

- Series I Savings Bonds can be purchased for as little as \$50. The maximum amount is \$5,000. Taxpayers can use all or just a portion of their refund to buy a savings bond.
- The bonds can be easily purchased directly on the federal tax return through IRS Form 8888. Moreover, a taxpayer does not need to have a bank account or use direct deposit to save with savings bonds. Lowering the barriers to savings has been shown to dramatically increase the number of participants.



- Savings bonds are a safe, familiar, government-issued savings vehicle that can be purchased in the taxpayer's name or in the name of a child or grandchild. If they are stolen, destroyed or lost, they can be replaced.
- Savings bonds offer an interest return rate in line with Certificates of Deposit (CD) at banks, but CDs usually require a much higher minimum investment, which puts CDs out of reach for many low-income families.
- No credit or debit screenings are required for savings bonds (as may be required to join some banks). Every single federal tax filer receiving a refund is eligible to save with savings bonds.
- Savings bonds encourage long-term savings since the money is not readily accessible. Many bond buyers appreciate the "out of sight, out of mind" feature so that they do not redeem them impulsively, but in the future for a long-term savings goal.

"U.S. Savings Bonds have always been thought of as a patriotic gesture. What better time could there be to invest in our country and ourselves?" said [Elected official]. "I hope every person in our state who is receiving a tax refund this year will commit to put at least \$50 of that into a savings bond. Consider it a gift to yourself, your child or grandchild. It's an easy way to protect your and your family's financial future."

For more information, please visit www.bondsmakeiteasy.org.

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SAMPLE NEWSLETTER ARTICLE AND WEBSITE POSTING IDEA

Newsletters, whether paper or electronic, and websites are excellent ways to share the news about this new tax time opportunity. You can use the sample language below for either.

Dear Neighbor,

Did you know that this year you can save for the future when you file your taxes? For the first time, every taxpayer who is eligible for a tax refund can put all or part of that refund directly into a U.S. Savings Bond.

It's simple—just fill out Form 8888 when you file your taxes and a few weeks later you will receive your bond in the mail.

It's safe—it can be replaced if it's lost, stolen or destroyed.

And it will help you build financial security and a better future for your family.

You can buy it for yourself or for a loved-one. You can use part or all of your refund to buy the bond and they can be purchased for as little as \$50 or as much as \$5,000. In addition, you don't need a bank account.

Bonds at tax time can be purchased whether you prepare your taxes yourself, use software, pay a preparer, or use one of the many excellent free tax preparation VITA sites. To find a VITA site near you, call 1-800-829-1040 or visit my website at XXXX.

You can learn more about this opportunity at www.bondsmakeiteasy.org. There you can learn more about savings bonds and get details about how to purchase them on your tax return.

Please let your friends, families and co-workers know about this important opportunity to save for your family's future. If you are like many of us, it can be hard to save day to day, so having a simple way to save part of your tax refund makes saving easier.



SAMPLE ELECTED OFFICIAL BLOG POST

Bloggging and tweeting are an easy way to reach a broad audience. Below is a sample blog post and a number of tweets that could be used throughout tax season.

I'm excited to tell you about a new program that will help families across our state safely and easily save money for their future. When you fill out your federal tax return this year, you can decide to put a portion of your tax refund directly into a U.S. Savings Bond. You can buy the bonds right on your tax form and you'll receive the bonds in the mail a few weeks after your tax return is received. It couldn't be simpler.

What makes this even better is that you can buy the bonds for yourself or in your children's or grandchildren's name. It's an excellent way to teach the next generation about the importance of saving and planning.

Using Form 8888, U.S. Savings Bonds can be purchased for as little as \$50 or as much as \$5,000. Taxpayers don't need to have a bank account or use direct deposit to save with savings bonds. The bonds are a safe, universal, government-issued savings vehicle that anyone can buy and if they are stolen, destroyed or lost, they can be replaced.

Volunteer Income Tax Assistance (VITA) sites, which provide tax filing assistance to low and middle- income families, can provide help in applying for the bonds. For those of you brave enough to fill out your own taxes, programs such as Turbo Tax are set up for bond purchases.

Tax time is an excellent opportunity to save. Putting all or a portion of your tax refund into a saving bond can help you achieve your long-term savings goals. I encourage you to participate this tax season. I'm planning on buying my own U.S. Savings Bond. For more information, visit: www.bondsmakeiteasy.org.

ELECTED OFFICIAL TWITTER ENTRIES

- Plan to save this year! Put all or some of your tax refund into a U.S. Savings Bond. You can buy bonds right on your tax return. Visit www.bondsmakeiteasy.org
- Just filed my tax return and bought a savings bond with my refund. An easy way to save for my grandkids. You can too. Visit www.bondsmakeiteasy.org
- Make tax time feel less taxing by buying a U.S. Savings Bond with your refund. Learn more at www.bondsmakeiteasy.org
- Want to plan for your child's future? Buy them a U.S. Savings Bond with your tax refund this year! Learn how at www.bondsmakeiteasy.org



QUESTIONS, COMMENTS?

A Word version of this document can be downloaded at www.bondsmakeiteasy.org. Please feel free to use any of the language in any outreach activities your office conducts around tax time savings bonds.

For any questions or comments, contact Joanna Smith-Ramani at jsmithramani@d2dfund.org or 617-541-9066.



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