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Aleph, UCLA Undergraduate Research Journal for the Humanities and Social Sciences

Title

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Permalink

<https://escholarship.org/uc/item/8cq231bk>

Journal

Aleph, UCLA Undergraduate Research Journal for the Humanities and Social Sciences, 19(1)

ISSN

2639-6440

Author

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Publication Date

2022

DOI

10.5070/L619158740

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Simplifying Financial Resource Applications for Low-Income College Students with Return-Free Filing

Joleen Chiu



Abstract: The complexity of the American tax code disproportionately affects low-income college students who rely heavily on information from their tax returns for important financial resources (e.g. financial aid) but are unable to afford assistance from costly tax-filing services. As a result, low-income college students benefit from return-free filing services. This paper assesses the potential of using return-free tax filing as a resource to support low-income college students with identifying their eligibility and applying for financial resources such as financial aid and SNAP benefits. Using survey data from low-income students attending UCLA, we describe the difficulties faced in filing taxes and applying for financial resources. We find that students are interested in receiving assistance from return-free filing services for both processes. Then, we determine how interest varies by gender, racial identity, parental education, past filing experience, and primary language spoken at home.

Keywords: return-free filing, FAFSA, SNAP benefits, college, low-income

1. Introduction

Low-income college students often rely on financial resources like financial aid and federal food-purchasing assistance through the Supplemental Nutrition Assistance Program (SNAP) to help afford the cost of attending college. However, many of these financial resources can be confusing for students to navigate because it may be difficult to understand the tax information required for these applications. Students may be deterred from applying for financial resources due to their complexity, causing them to miss out on aid they qualify for.

Furthermore, low-income students face inaccuracies in tax returns and tax information input on financial resource applications, which could impact the amount of aid that they are eligible for and receive. For instance, in a survey conducted by the Treasury Inspector General for Tax Administration, out of twenty-eight tax preparation services, seventeen filed tax returns incorrectly, and “none of the seven preparers required to exercise due diligence when determining whether auditors were eligible to receive the Earned Income Tax Credit¹ did so” (U.S. Department of the Treasury 2008). Similarly, during undercover visits to nineteen randomly selected tax preparers, the U.S. Government Accountability Office found that only two preparers calculated the correct refund amount (2014). On top of receiving inaccurate tax returns, low-income taxpayers are targeted and exploited by tax preparation services. Despite often qualifying for free tax filing services, low-income taxpayers spend an average of \$400 each year to file taxes (Weinstein and Patten 2016). Therefore, this paper explores a potential free solution for addressing the inaccuracies of the returns low-income college students file: return-free filing.

We propose that a simple return-free filing system can help improve the accuracy of the returns low-income college students file and assist them with the financial resource application process. Many low-income college students would be serviced in a return-free filing program due to having simple returns (only filing W-2 income, taking the standard deduction, and having limited interest and dividend income) and meeting income requirements, saving them time and money in the

process of completing tax returns. We first analyze the existing literature on return-free filing programs and financial resource applications to determine how return-free filing can serve low-income college students and to document previous observations on the effects of complicated financial resource application processes. Then, using original survey data collected from sixty-six low-income college students enrolled at UCLA, we assess the potential for free filing to aid low-income college students with determining their eligibility and applying for financial resources with tax-heavy information, including federal aid and SNAP benefits. In our survey, we determine how to best target the needs of students by describing their experiences, such as the amount of time spent on applying for financial resources and the most challenging aspects of those applications. Lastly, we observed any differences in interest in return-free filing services depending on race and ethnicity, gender, primary language spoken at home, parental education levels, and prior experience with and knowledge of the tax filing process.

2. Background

2.1 The Return-Free Filing System

One possible solution for addressing the exploitation of low-income taxpayers and the inaccuracies of returns is through the establishment of a return-free tax filing system, wherein the government prepares tax returns for individuals and sends the details of their amount withholding after processing the required information without much involvement from the individuals themselves.² In a typical return-free filing system, the tax agency withholds the exact amount of tax owed by individuals from paychecks and other sources of income, saving time and resources spent on completing tax returns (Fichtner et al. 2019). However, countries that have implemented return-free filing tend to have simpler tax codes, compared to the United States, with few exemptions and a marginal tax rate (Fichtner et al. 2019). This suggests that it would be difficult

for the United States to implement a widespread return-free filing program that could accommodate varying complexities of tax returns.

Fortunately, it is possible for return-free filing to service smaller demographics within the U.S. who have simpler returns, such as low-income taxpayers with wage income only, who take the standard deduction, and have no other credits other than the Earned Income Tax Credit and child credit (Goolsbee 2006). For instance, the Hamilton Project has proposed a possible return-free filing system, the “Simple Return,” for the Internal Revenue Service (IRS) that can service Americans with simpler returns by obtaining income information directly from employers (Goolsbee 2006). The system would increase access in waves, starting with the most basic returns; in the first wave, 17.5 million filers, including many low-income college students who meet an income limit, only have wage income, and can be claimed as dependents can file using the Simple Return System (Goolsbee 2006).

A return-free filing program like the proposed “Simple Return” has been tested in California. In 2004, the Franchise Tax Board of California (the California agency responsible for collecting personal and corporate income tax for the state), launched a return-free filing program called the California ReadyReturn program. The California ReadyReturn program used data directly reported by employers to the state to file taxes for more than eleven-thousand Californian residents who filed as single, did not claim dependents, and only had wage income (Goolsbee 2006). The program received a positive “satisfied” or “very satisfied” feedback 98% of the time, 97% of the filers were interested in using the program again in the following year, and the program dramatically reduced the error rate from 3% in the control group to 0.3% of those who filed with ReadyReturn (Goolsbee 2006). Since low-income college students typically have simpler tax returns due to meeting an income limit and having minimal sources of income, they would likely be among the first group of taxpayers to be serviced in return-free filing systems. This indicates that return-free filing systems like the ReadyReturn program are viable and free options for improving the accuracy of low-income college students’ tax returns.

However, there are some concerns about the administrative bur-

den a return-free filing program would place on tax collection agencies, employers, and businesses as well as the implications of a less “visible” tax system since taxpayers may see or understand less of the tax process under return-free filing (Tax Policy Center 2016). We argue that it is reasonable to implement a return-free filing service for low-income college students because the Franchise Tax Board of California was willing to accommodate over fifty-thousand taxpayers through the ReadyReturn program in 2004 using more generalized requirements than our restriction to only college students (Goolsbee 2006). Employers and businesses are also already expected to report wage information since payroll taxes currently operate under a return-free filing system (Tax Policy Center 2016). Those who are concerned about their independence and awareness of the tax filing process can opt out of return-free filing and continue to file using their preferred method. Additionally, we choose to study return-free filing in this paper over other tax-filing options due to its affordability and its simplicity for the taxpayer. Low-income groups such as students, who may not be able to afford other services, would benefit the most from this service since they are young adults navigating the tax system for the first time. Lastly, a return-free filing program can reduce administrative burden in other areas by increasing the accuracy of returns filed, reducing the need to contact taxpayers for corrections and verifications, and potentially streamlining application processes for other resources like financial aid and Calfresh (California’s version of SNAP) applications, which we explore in the following sections.

2.2 Taxes and the FAFSA

The Free Application for Federal Student Aid (FAFSA) is an application completed by prospective and current postsecondary American students to determine their eligibility for government financial aid. According to Federal Student Aid, over \$120 billion in aid is disbursed to students each year (U.S. Department of Education 2019). In particular, the FAFSA connects low-income college students to the Pell Grant, the

largest need-based financial grant for postsecondary education accredited for expanding college access to low-income families in the past few decades (Protosaltis and Parrott 2017). Despite the importance of the FAFSA, its complexity with 106 questions in 2021 and tricky questions about the student and parent tax information, such as questions about education credits, untaxed income, and direct numbers from tax returns, undermines the effectiveness of federal aid (U.S. Department of Education 2020). The National Center for Education Statistics (NCES) reports that only around 65% of high school seniors complete the FAFSA, and students who do not complete the application cite reasons such as not knowing how to complete the FAFSA, not knowing if they were eligible for aid, and thinking that the FAFSA is too burdensome (Bahr et al. 2018). The complexity of the FAFSA can be particularly challenging for first-generation students and their families as they have no prior experience with navigating the process of applying for aid.

Fortunately, research has shown that the simplification of the FAFSA is possible. One study found that only a small handful of questions concerning income and family size account for most variations in Pell Grant eligibility (Dynarski et al. 2013). After estimating the 2008-2009 eligibility results using only information obtained from IRS data, 72% of applicants saw no change in their Pell eligibility and 88% saw a change of less than \$500 (Dynarski et al. 2013). This presents a possibility for return-free filing to determine financial aid eligibility using information acquired through completed tax returns. After identifying individuals eligible for financial aid, return-free filing can then show taxpayers the next steps on how to access the FAFSA and even streamline tax returns completed through return-free filing to fill out tax information on the FAFSA.

A similar experiment to the proposed streamlined process has been conducted where tax returns completed through the tax preparation service H&R Block were screened to identify families who earned less than \$45,000 and had a family member between the ages of seventeen to thirty without a bachelor's degree (Bettinger et al. 2013). These individuals were contacted and if they consented, a software transferred their

tax information to the FAFSA and guided them through the remaining questions, such as parental education status (Bettinger et al. 2013). As a result of this program (compared to a control group who were informed about financial aid eligibility without receiving FAFSA filing assistance), FAFSA submissions increased 39% for seniors in high school and 186% for independent students, and the likelihood of participants receiving aid increased by five percentage points (Bettinger et al. 2013). Therefore, low-income students can benefit from a resource like return-free filing that guides them through financial aid applications using their tax returns.

2.3 Other Financial Resources: CalFresh

We find similar results with the CalFresh application process. According to surveys conducted by the University of California (UC) and California State University (CSU) systems, more than 40% of undergraduate students attending an institution in one of the two systems experience food insecurity (Brown et al. 2017; Crutchfield and Maguire 2018). However, only 72% of eligible households in California participate in the CalFresh program with even lower rates of participation among low-income college students (Granville 2020). Like the FAFSA, the application for CalFresh is a long and complicated process with multiple exceptions to consider when determining eligibility for the program. A survey conducted by the San Francisco-Marin Food Bank in collaboration with San Francisco State University found that low-income students were discouraged from completing the CalFresh application due to its length and confusing jargon (San Francisco-Marin Food Bank 2015). Furthermore, many students believed they were not eligible due to misleading information and others were not willing to complete the application without assistance (San Francisco-Marin Food Bank 2015). Even households already enrolled in CalFresh benefits are burdened with the paperwork; a study by the California Policy Lab found that “people are six times more likely to leave CalFresh in the month that they have to recertify their

eligibility” (Unrath 2021). Thus, students would greatly benefit from a service that helps them navigate the confusing CalFresh application.

One potential service is a return-free filing system that can help low-income college students determine their eligibility for CalFresh benefits through their tax returns and simplify the application process by inputting their tax information. In a similar case, when a nonprofit organization, Code for America, designed a product that simplified and walked users through the CalFresh application process, the organization was able to assist one million people with enrolling in CalFresh benefits (Botts 2019).

3. Methodology

After examining the literature and finding that return-free filing can help alleviate some of the confusion with applying for financial resources, we surveyed low-income college students enrolled at UCLA to assess student interest in using return-free filing and describe their experiences with filing taxes and completing applications for financial resources.

3.1 Survey Design and Distribution

We designed a survey consisting of twenty three to thirty questions, depending on whether the respondent had completed the FAFSA for the 2020-2021 Award Year or had filed taxes before. The survey was promoted to UCLA students through social media and campus organizations from April to May 2021. Survey participants were required to be low-income students enrolled at UCLA, which was confirmed through the first few questions in the survey.

The first set of questions in the survey recorded various socioeconomic and background data, such as previous filing experience, prior tax knowledge, grade level in school, gender, racial and ethnic identity, first-generation college student status, native language, and primary lan-

guage spoken at home. We then documented student experiences with completing financial resource applications, including the types of financial resources they applied for, the time spent on those applications, and the most challenging aspects of those applications. For the students who have filed tax returns before, we also recorded their tax filing methods, the forms they filed, the time they spent filing taxes, their overall tax filing experience, and their confidence in the accuracy of their return. Lastly, we provided a description of return-free filing and asked participants about their interest in learning more about and using return-free filing to file taxes and to determine their eligibility and complete their applications for financial resources. The complete survey can be found in the Appendix.

3.2 Participants

Participants in the survey were low-income college students enrolled part-time or full-time at UCLA. This paper considers students as low-income if they satisfied at least one of the following criteria:

- (1) The student received the Pell Grant, Cal Grant, or Federal Work-Study for the 2020-2021 award year.
- (2) The student's Expected Family Contribution (EFC) was less than \$5,800 for the 2020-2021 award year.³
- (3) The student's household income is less than \$80,000.⁴

Of the sixty-six respondents to the survey, fifty-five (83.3%) identified as first-generation college students⁵, twenty-two (33.3%) were not native English speakers, and twenty-five (37.9%) did not speak English primarily at home. Eight (12.1%) were freshmen, twenty-seven (40.9%) were sophomores, nineteen (28.8%) were juniors, and twelve (18.2%) were seniors. Forty-one (62.1%) respondents identified as female, twen-

ty-three (34.8%) identified as male, one respondent (1.5%) identified as non-binary, and one preferred not to disclose their gender identity. Thirty-three (50%) respondents were of Hispanic, Latino, or Spanish Origin, twenty-seven (40.9%) were not, and six (9.1%) preferred not to answer. The racial composition of survey respondents compared to the UCLA Undergraduate Student Profile for the 2019-2020 term can be found in the figure below.

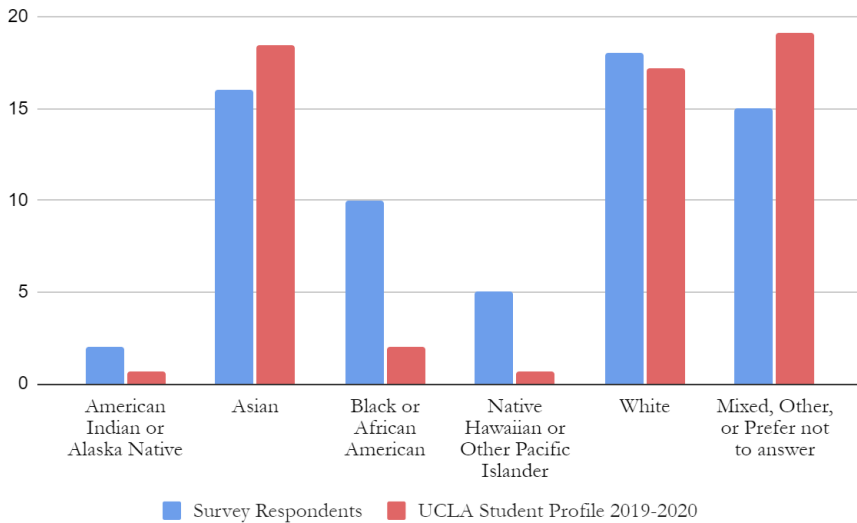


Figure 1: Racial Composition of Survey Respondents

Note: The 2019-2020 Undergraduate Student Profile statistics in the graph were obtained from multiplying the proportions provided by UCLA Academic Planning and Budget by N=66.

4. Results of the Survey

We examined the survey responses to assess student experiences with filing taxes, completing the FAFSA, and applying for financial resources apart from federal aid. Out of sixty-six respondents, twenty-six (39.4%) had filed taxes before and spent an average of 3.38 and a median of three hours filing taxes. The average rating for students' overall experience with tax filing was 2.88 on a scale of 1 (worst experience) to 5 (best experience), and the average rating for students' confidence with the accuracy of the tax return filed was 3.15 on a scale of 1 (least confident) to 5 (most confident). Most students (77.3%) did not have any prior tax knowledge,⁶ suggesting that students are inadequately prepared for filing taxes and understanding tax information.

Additionally, most respondents (69.23%) from all racial backgrounds filed with the help of a tax professional even though all respondents who filed a tax return only filed up to three common tax forms for students (Form W-2, Form 1099-T, and Forms 1095-A or B). This indicates that students were spending money on tax filing services even though most respondents who filed taxes would likely be eligible for free tax filing services due to the simplicity of their tax returns. We further discuss the survey findings in the following four subsections: experiences with the FAFSA, experiences with financial resources applications, opinions on return-free filing, and heterogeneity in opinions across socioeconomic backgrounds.

4.1 Experiences with the FAFSA

We investigated low-income student experiences with completing the FAFSA, including time spent on the application and the most challenging aspect of the FAFSA. Fifty-one respondents (77.27%) completed the FAFSA for the 2020-2021 Award Year and the types of aid they received, such as the Cal Grant, Pell Grant, and Federal Work-Study, are recorded in Figure 2. Of the fifteen respondents who did not complete

the FAFSA, ten attributed not being a U.S. Citizen, U.S. National, or qualifying non-citizen as the reason they did not complete the application and the other five respondents believed they were not eligible for aid, missed the deadline for the application, or were not sure how to complete the application.

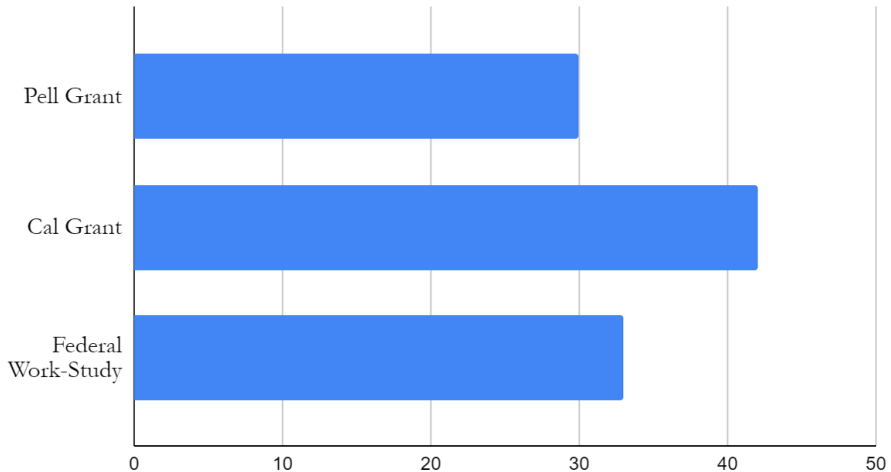


Figure 2: Federal Aid Received in the 2020-2021 Award Year

Figure 3 shows the amount of time students spent on completing the FAFSA with an average of approximately three hours and a median of two hours spent. Figure 4 displays the most challenging aspects of completing the FAFSA as determined by survey respondents, which was inputting tax information for the parents, followed by inputting tax information for the student.

These results indicate that return-free filing could assist low-income college students throughout the confusing process of inputting tax information on the FAFSA and potentially save time spent on completing the FAFSA. Additionally, return-free filing could reduce the number of students who are missing out on aid by screening their potential eligibility for aid and directing eligible students to more information on completing the FAFSA.

Simplifying Financial Resources

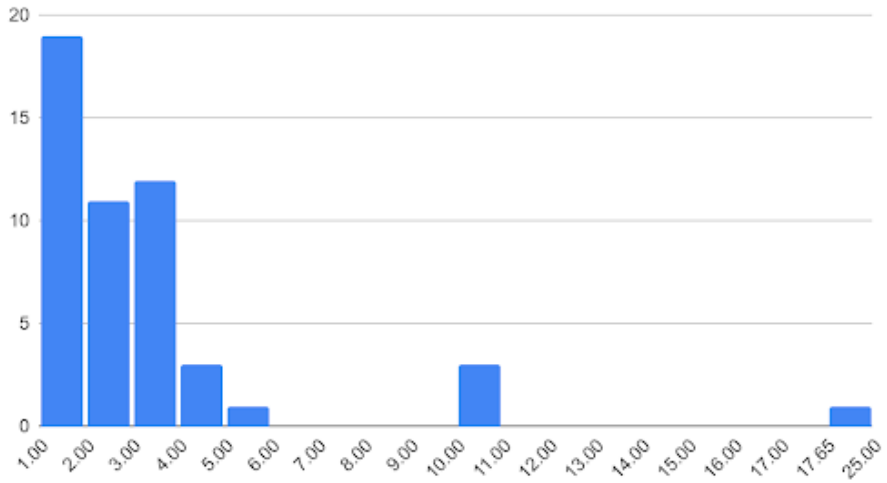


Figure 3: Number of Hours Spent on Completing the FAFSA

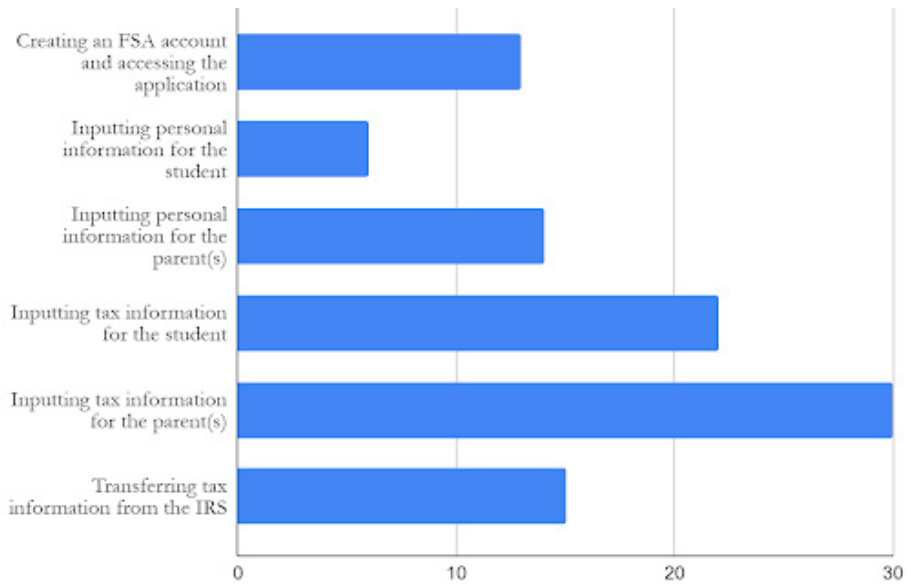


Figure 4: Most Challenging Aspect of Completing FAFSA

4.2 Experiences with Financial Resources

We then explored the experiences of students who applied for financial resources apart from federal aid. Forty-two students (63.64%) applied for at least one financial resource; of those forty-two students, twenty five applied for other types of financial aid (not through the FAFSA), nineteen applied for CalFresh, and twenty-one applied for Covered California or Medi-Cal Insurance. Figure 5 shows the distribution of average amounts of time spent on completing applications for financial resources with a sample average of 4.59 hours and median of three hours, and Figure 6 displays the most challenging aspects of completing applications for financial resources, which was inputting tax information for most respondents.

These results suggest that return-free filing has the potential to benefit low-income college students by determining students' eligibility for financial resources and assisting them with inputting tax information in their financial resource applications. This could raise low-income college students' awareness about financial resources that they are eligible for, increase the number of eligible students who apply for the financial resources, and save time spent on applications for financial resources.

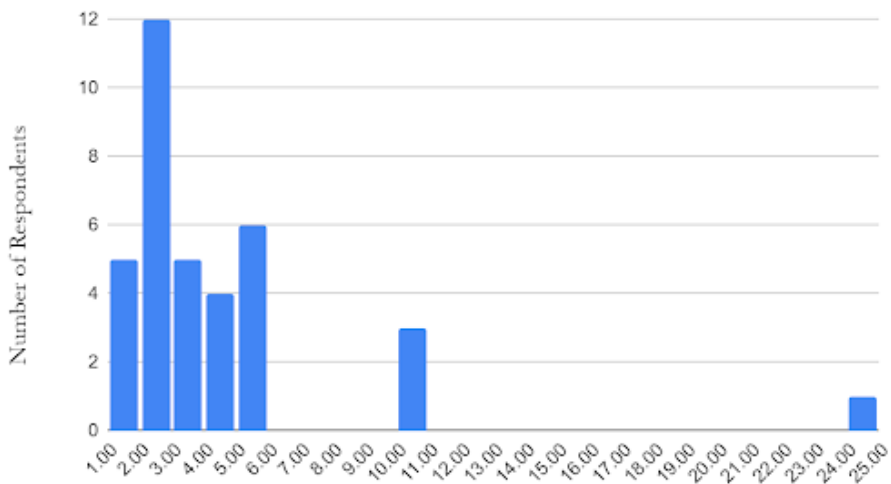


Figure 5: Average Number of Hours Spent Applying for Financial Resources

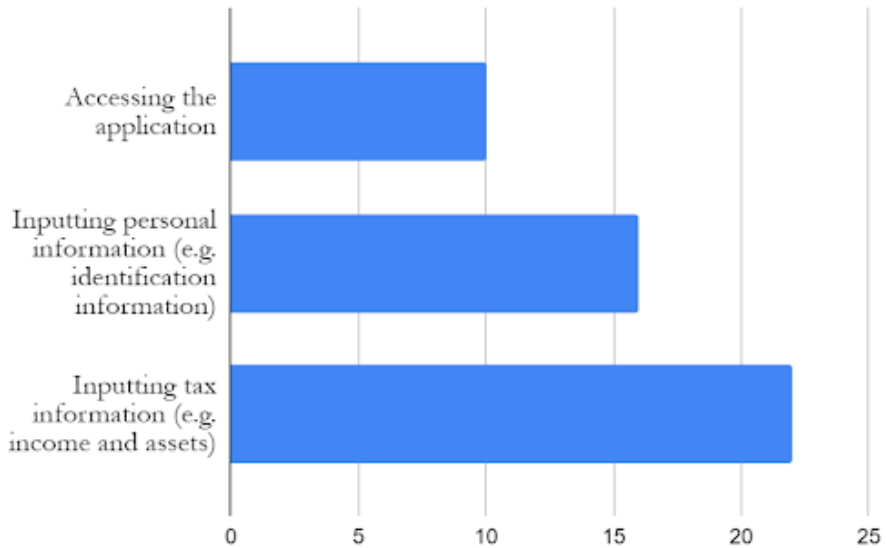


Figure 6: Most Challenging Aspect of Applying for Financial Resources

4.3 Opinions on Return-Free Filing

Next, we assessed whether students are interested in using return-free filing services. We found that most students expressed some interest in return-free filing programs: fifty-one respondents (77.27%) were interested in learning more about return-free filing, fifty-one (77.27%) were interested in using return-free filing to help them determine their eligibility for financial resources, and fifty (75.76%) were interested in using return-free filing to help them complete their applications for financial resources.

For respondents who had filed taxes before, we also compared their interest in using return-free filing for determining eligibility and completing applications for financial resources with using their current tax filing method. The results can be seen in Figure 7.

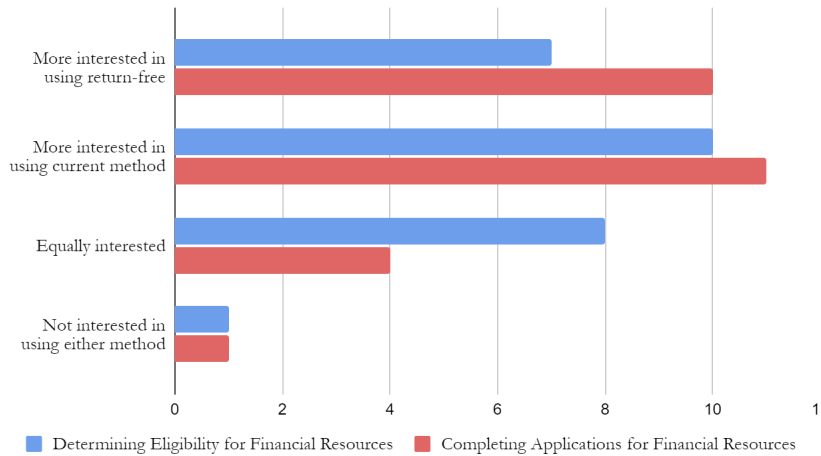


Figure 7: Opinions on Using Current Tax Filing Method versus Return-Free Filing for Determining Eligibility and Completing Applications for Financial Resources

Of the respondents who answered they preferred their current filing method over using return-free filing, for determining eligibility, seven (70%) filed with the help of a tax professional, and for completing applications, eight (72.73%) filed with the help of a tax professional. These results indicate that students are interested in a resource that assists them with the process of applying for financial resources, but there are mixed opinions on whether that resource should be through a return-free filing program or through other tax filing methods, such as through tax professionals.

4.4 Heterogeneity in Opinions Across Socioeconomic Backgrounds

Lastly, we describe variations in opinions on return-free filing depending on gender, racial identity, parental education, primary language spoken at home, and past experience with tax filing. Survey respondents

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who identified as male were more likely than respondents who identified as female to be interested in using and learning more about return-free filing and in using return-free filing for completing financial resource applications, but respondents who identified as female were more likely to be interested in using return-free filing for determining their eligibility for financial resources (see Figure 8). Additionally, students who identified as Asian, Black or African American, or first-generation college students, or do not speak English primarily at home were more likely to be interested in learning more about return-free filing and using return-free filing to complete applications for financial resources (see Figures 9 and 10). We also note that respondents who have not filed tax returns before were more likely to be interested in using and learning more about return-free filing and using return-free filing to determine their eligibility and complete applications for financial resources (47.5%, 85%, 80%, and 80% respectively) compared to those who have filed taxes before (23.08%, 65.38%, 73.08%, and 69.23% respectively).

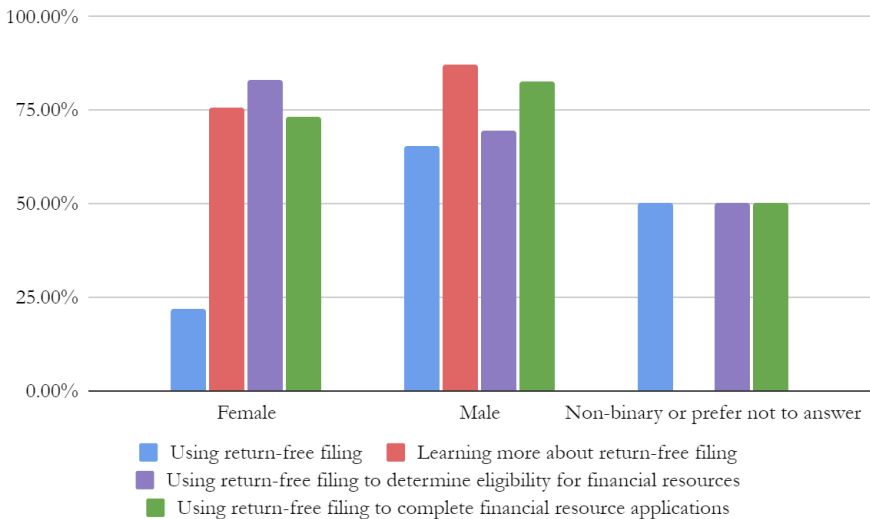


Figure 8: Variations of Interest in Return-Free Filing by Gender Identity

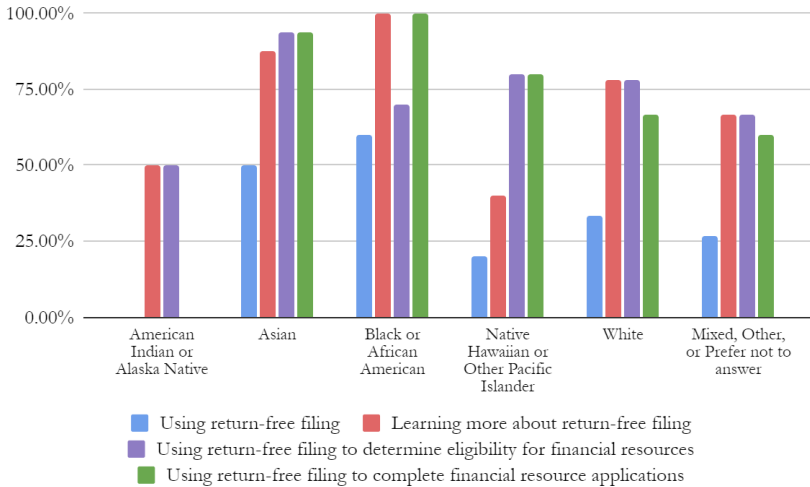


Figure 9: Variations of Interest in Return-Free Filing by Racial Identity

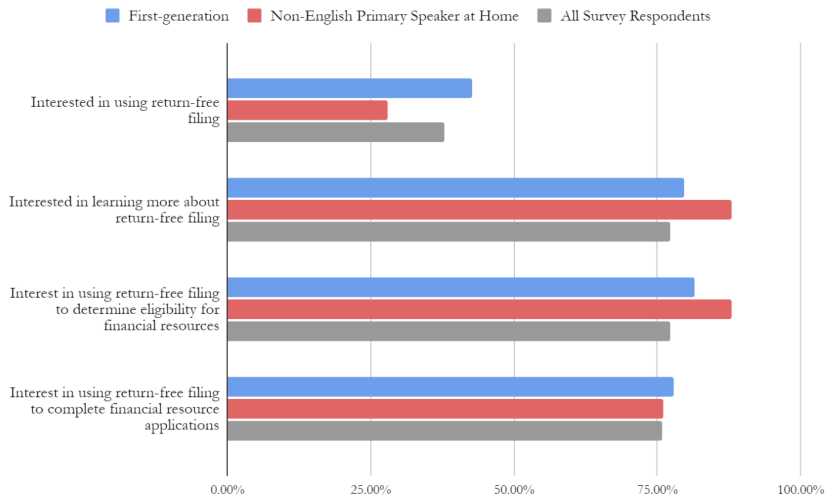


Figure 10: Opinions on Return-Free Filing of Respondents Who Identify as First-Generation and Respondents Who Do Not Speak English Primarily at Home

From these results, we see that return-free filing is a resource that members from various underrepresented backgrounds are interested in, but further research is needed to understand the reasons behind the differences in opinions between respondents from different backgrounds.

5. Conclusion

The cost of college and the amount of available financial aid are increasingly important considerations for students from low-income backgrounds. This paper found that low-income college students are struggling with the complexity of financial resource applications and consider inputting tax information as the most challenging aspect of those applications. Existing work suggests that successful return-free filing systems have been implemented in California and in other countries and can support low-income college students by assisting them with filing taxes, determining their eligibility, and completing their applications for financial resources. Our original survey data collected from low-income undergraduate students attending UCLA indicated that students are interested in learning more about and using return-free filing.

Although the literature on financial resource applications and the results of our survey suggest that there is great potential in using return-free filing to assist low-income college students, we must also consider the limitations of this project. Our survey only measured interest in using return-free filing in a small sample of sixty-six low-income students enrolled at UCLA. We are not certain how interest will translate into actual product use or how opinions may vary among students enrolled at other institutions or in larger samples. Our survey also focused on recording student experiences and initial interest in return-free filing so we are not able to analyze the reasonings and concerns behind the student responses and opinions reflected in the survey. For instance, we noted that students who have filed taxes before expressed slightly less interest in using return-free filing compared to students who have not

filed taxes before, but we are unsure if or how filing experience influenced the students to have varying opinions.

In order to implement a resource to assist students with receiving the aid that they are eligible for, we must continue to research student perspectives on return-free filing and applications for financial resources. We found that low-income college students would benefit from and are interested in a resource that helps them navigate the confusing process of applying for financial resources. Thus, universities and organizations working with low-income and underrepresented students might want to continue to evaluate student concerns and the best practices for providing a resource like return-free filing to address student needs for assistance with financial applications and ensure that all eligible students receive the aid they qualify for.

Endnotes

¹ The Earned Income Tax Credit (EITC) is a tax credit for low and moderate-income working families designed to reward work and help reduce poverty (Center on Budget and Policy Priorities, 2019).

² Return-free filing has been implemented in over 30 countries, including Denmark, Sweden, and Germany (Tax Policy Center, 2016).

³ The maximum EFC to receive the Pell Grant in the 2020-2021 award year was \$5,711 (Federal Student Aid, 2020).

⁴ The University of California Blue and Gold Opportunity Plan household income limit was \$80,000 for the 2020-2021 academic year (Regents of the University of California, n.d.).

⁵ We considered students as first-generation college students if both of their parents did not complete a four-year college degree.

⁶ In our analysis, prior tax knowledge refers to having knowledge on the tax filing process through taking a course on tax filing, volunteering in a program like the Volunteer Income Tax Assistance (VITA), and other similar experiences.

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Appendix

Survey Questions

* If the respondent answered no to any starred questions, then they did not qualify for the survey.

1. Are you currently enrolled part-time or full-time at UCLA?
(Yes/No)*

2. What is your grade level in school?

- a. Freshman
- b. Sophomore
- c. Junior (or first year transfer)
- d. Senior (or second year transfer)

3. Have you completed the FAFSA application before? (Yes/No)

4. Did you complete the FAFSA application for the 2020-2021 Award Year? (Yes/No)

For students who completed the 2020-2021 FAFSA application:

5. To be considered a low-income college student for this survey, you must satisfy at least one of the following conditions:

- (1) You received the Pell Grant for the 2020-2021 Award Year
- (2) You received the Cal Grant for the 2020-2021 Award Year
- (3) You received Federal Work-Study for the 2020-2021 Award Year
- (4) Your Expected Family Contribution (EFC) was less than 5800 in the 2020-2021 Award Year
- (5) Your annual household income is less than \$80,000

Based on your FAFSA for the 2020-2021 Award Year and the description above, are you considered a low-income college student? (Yes/No) If yes, please select all that apply. (Students selected which con-

ditions they satisfied).*

6. On average, how much time (in hours) do you spend completing your FAFSA application?

7. What was the most challenging aspect in completing the FAFSA application? Please select all that apply.

- (1) Creating an FSA account and accessing the application
- (2) Inputting personal information (NOT TAX-RELATED) for the student (such as identification and name of college)
- (3) Inputting personal information (NOT TAX-RELATED) for the parent(s) (such as identification and education levels)
- (4) Transferring tax information from the IRS
- (5) Inputting tax information for the student (such as adjusted gross income and assets)
- (6) Inputting tax information for the parent(s) (such as adjusted gross income and assets)
- (7) Other:

For students who did not complete the 2020-2021 FAFSA application:

8. Is your household income less than \$80,000? (Yes/No)*

9. Why did you not complete the FAFSA application for the 2020-2021 Award Year? Please select all that apply.

- (1) I did not think I was eligible for aid
- (2) I missed the deadline
- (3) I was not sure how to complete the application
- (4) I am not a U.S. citizen, U.S. national, or qualifying non-citizen
- (5) Other:

For all students who qualified for the survey:

10. What is your gender identity?
 - a. Female
 - b. Male
 - c. Non-binary
 - d. Prefer not to answer

11. Are you of Hispanic/Latino/Spanish origin? **(Yes/No)**

12. How would you best describe yourself? Please select all that apply.
 - (1) American Indian or Alaska Native
 - (2) Asian
 - (3) Black or African American
 - (4) Native Hawaiian or Other Pacific Islander
 - (5) White
 - (6) Other:
 - (7) Prefer not to answer

13. Are you a first-generation college student? **(Yes/No)**

14. Is English your native (or first) language? **(Yes/No)**

15. Is English the primary language you speak at home? **(Yes/No)**

16. What other financial resources have you applied for? Please select all that apply.
 - (1) Other sources of financial aid (not from FAFSA)
 - (2) CalFresh
 - (3) Covered California Medical Insurance or Medi-Cal
 - (4) I have not applied for any financial resources
 - (5) Other:

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17. On average how much time did you spend completing the application(s) for the other financial resource(s) you selected above?

18. What was the most challenging aspect in completing the applications for the financial resources? Please select all that apply.

- (1) Accessing the application
- (2) Inputting personal (NOT TAX-RELATED) information (such as identification information)
- (3) Inputting tax information (such as income and assets)
- (4) I have not applied for any financial resources.
- (5) Other:

19. Have you ever filed taxes before? **(Yes/No)**

20. Do you have any prior tax knowledge, such as taking a course on tax filing or volunteering in a program like the Volunteer Income Tax Assistance (VITA)? **(Yes/No)**

For students who answered that they have filed taxes before:

21. What tax filing method have you used before? Please select all that apply.

- (1) I filed using an online tax filing program (e.g. TurboTax)
- (2) I filed with the help of a tax filing professional
- (3) I filed with the help of a family member
- (4) Other:

22. Which forms have you filed before? Please select all that apply.

- (1) Form W-2 (Wage and Tax Statement)
- (2) Form 1099-T (Tuition Statement)
- (3) Form 1095-A (Health Insurance Marketplace Statement) or Form 1095-B (Health Coverage)
- (4) Other:

23. On average, how long does it take you to complete a tax return (in hours)?
24. On a scale of 1 to 5, with 5 being the best and 1 being the worst, how would you rate your overall experience with filing taxes?
25. On a scale of 1 to 5, with 5 being the most confident and 1 being the least confident, how confident are you in the accuracy of your tax return?

For all students who qualified for the survey, the following description was provided before the questions that follow:

A **return-free filing system** is a system wherein the government can calculate withhold taxes owed and file taxes for taxpayers on its own without much help from the taxpayers themselves. The taxpayer will receive a form from the government explaining the system with an enclosed tax return, and taxpayers will have the option to accept their return, update the return, or simply ignore the letter and file on their own.

26. Have you heard of return-free filing systems prior to this survey? **(Yes/No)**
27. What are your opinions on return-free filing systems? Please select all that apply.
- (1) I am interested in using a return-free filing service.
 - (2) I would like to learn more about return-free filing services.
 - (3) I am **not** interested in using a return-free filing service.
 - (4) I would **not** like to learn more about return-free filing services.
28. Many applications for financial resources, such as the FAFSA, use tax information like your household income and assets, to determine

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your eligibility for the resource. What are your opinions on using a return-free filing system to **determine your eligibility** for financial resources with applications that require tax information?

- a. I am interested in using a return-free filing service to determine my eligibility for other financial resources.
- b. I am **not** interested in using a return-free filing service to determine my eligibility for other financial resources.
- c. I am **not** interested in using return-free filing services.

29. What are your opinions on using a return-free filing system to **help complete your application** for other financial resources, such as the FAFSA?

- a. I am interested in using a return-free filing service to complete my application for other financial resources.
- b. I am **not** interested in using a return-free filing service to complete my application for other financial resources.
- c. I am **not** interested in using return-free filing services.

For students who have filed taxes before:

30. What are your opinions on using your current method of tax filing to help you determine your eligibility for financial resources with applications that require tax information?

- a. I am **more interested in using my current method** of tax filing than using a return-free filing service to determine my eligibility for financial resources.
- b. I am **more interested in using a return-free filing service** than using my current method of tax filing to determine my eligibility for financial resources.
- c. I am **equally interested in using both methods of tax filing** to determine my eligibility for financial resources.
- d. I am **not interested in using either method of tax filing** to determine my eligibility for financial resources.

31. What are your opinions on using your current method of tax filing to help you complete your application for financial resources that require tax information?

- a. I am **more interested in using my current method of tax filing** than using a return-free filing service to help me complete an application for financial resources.
- b. I am **more interested in using a return-free filing system** than using my current method of tax filing to help me complete an application for financial resources
- c. I am **equally interested in using both methods of tax filing** to help me complete an application for financial resources.
- d. I am **not interested in using either method of tax filing** to help me complete an application for financial resources.