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**Welcome to the RESULTS Educational Fund
June 2012 National Domestic Conference Call**

***Standing up for Tax Credits for Working
Families***

**Saturday, June 9, 12:30 pm ET
(888) 409-6709**

Introduction

A number of key provisions in of the [Earned Income Tax Credit](#) and [Child Tax Credit](#) will be expiring a the end of the year. Let's remind our elected officials why these credits are so important!

Why it matters: Julie Heck from Iowa's story: <http://halfintention.org/stories/julies-story-about-eitc/> .

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Standing Up for Tax Credits for Working Families

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Guest Speaker:

Debbie Stein

*Tax Policies for Working Families
& Vice President, Hatcher Group*

Tax Credits for Working Families

- www.taxcreditsforworkingfamilies.org (includes blog, RSS feed) managed by The Hatcher Group
- Support advocacy around four credits: EITC, Child and Dependent Care Tax Credit, Child Tax Credit, and Property Tax Circuit Breakers
- Support advocacy at federal and state levels

Federal Tax Credits at Risk

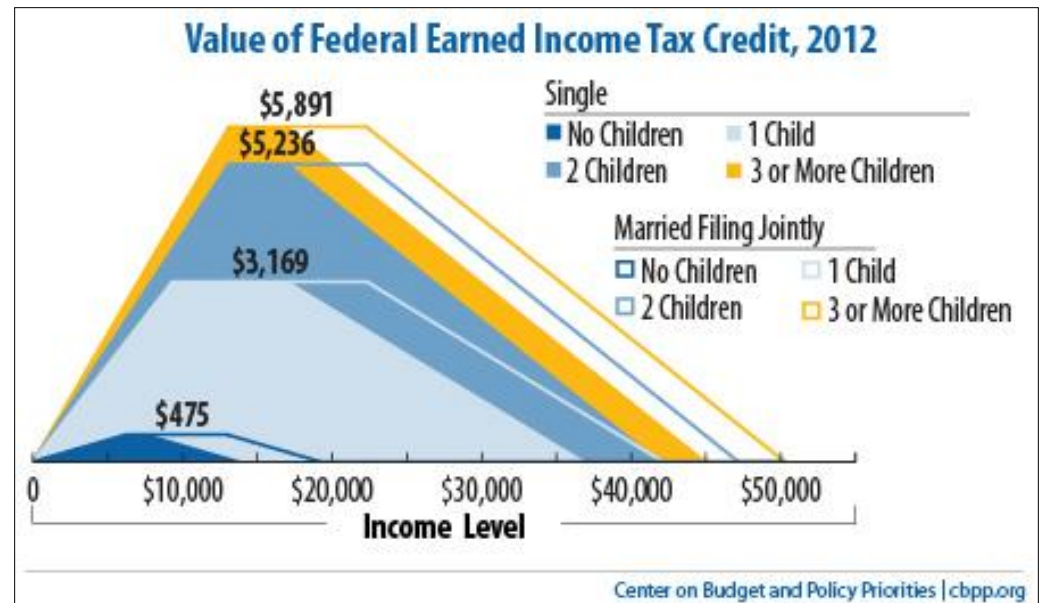
- Three federal tax credits have expansions that expire at the end of the year
- Child Tax Credit currently under attack
- Increasingly hearing everyone should pay some income tax—could lead to efforts to reduce or eliminate all three credits

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Earned Income Tax Credit


- Tax credit designed to “make work pay” by providing an income tax refund for workers in low-wage jobs
- “Refundable” credit: eligible taxpayer gets refund even if he/she owes no income tax. It is fully refundable, i.e. EITC — taxes owed = refund
- Eligibility is based on income, amount of refund based on income and family size
- President Ronald Reagan called it “the best antipoverty, the best pro-family, the best job creation measure to come out of Congress.”



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Child Tax Credit

- [Child Tax Credit](#) (CTC) designed to offset expenses of raising a child; Allows for maximum tax credit of \$1,000 per child
 - Must earn above \$3,000 to claim the CTC
 - Partially refundable credit (taxpayer does not simply get the difference between the credit and taxes owed like the EITC); household must earn at least \$9,667 to receive full \$1,000 as a tax refund
- 
- CTC is largest tax provision benefitting families with children – Center on Budget and Policy Priorities estimates [the CTC lifted 2.6 million people from poverty, including about 1.4 million children.](#)
 - **On the chopping block!** A provision targeted at immigrant families in the recent House budget package would [cut the credit for 5.5 million children.](#)

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Time Frame

- Bills likely to be considered after the elections (lame duck or new Congress)
- Tax credits could be included in three “must-pass” bills
 - Bill to extend all Bush tax cuts (the expansions could be extended or made permanent, but might be tied to unaffordable tax cuts for the rich)
 - Bill to protect military spending from cuts by cutting elsewhere
 - Debt ceiling legislation (Republicans are insisting in spending cuts for full amount that debt ceiling is raised)

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Why Legislators Need to Hear From You Now

- They are already locking in their positions on votes and may be campaigning on the issues
- Their staff often knows very little about the credits
- Many are saying “Everyone must have skin in the game”
- We expect the bills to move fast this winter
- Legislators need to know their constituents care
- They need to know how many of their constituents benefit (We’ll work with Meredith to get you the data)

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Key Messages

- Talk about **promoting work and parental responsibility**
 - Current EITC and CTC policy strengthens incentives for low-income parents to work full time because the more they earn the higher the credit
 - Only working families receive EITC and CTC.
- **Parents who work full time should be able to support their families and stay out of poverty.** This policy will make sure that parents who are willing to work hard are able to achieve a basic standard of living.
- This policy is **pro-work, and pro-parental responsibility.** It is built on the basic value that work is much better than welfare.
- These policies benefit parents who work as **firefighters, police and sheriffs, LPNs and child care workers** — people who are working to support their families but are still just getting by in tough economic times.



Key Messages — Preserving CTC Expansion

- For the CTC, talk about *continuing to count earnings below \$13,000*, rather than extending the credit to those earning just \$3,000.
- Point out that a **full-time minimum-wage working parent would have the credit reduced from \$1800 to \$320** if the expansion expires.
- This policy **gives low-income working parents a strong incentive to work full time to support their families**. Under current law, parents with two children who work just 10 hours a week at a minimum wage job will receive less than \$100, but if they work full time they will receive a credit of about \$1,800.

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Responding to Attacks

- **The EITC and CTC are “handouts” or “welfare”**
 - *RESPONSE: These people pay a very high share of their income in taxes, including payroll taxes, gas taxes, and state and local taxes. The refunds they get help offset some of those taxes and help working people struggling to get by.*
- **The EITC has a high fraud rate**
 - *RESPONSE: Inappropriate payments are mostly errors, not fraud, because the EITC rules can be complex. Paid preparers file two-thirds of all EITC returns, and are the source of most of the problems. Fortunately the IRS has taken a number of measures recently to reduce improper EITC payments, and Congress has just passed legislation that will also help. The right solution is to make sure only those who are eligible get the EITC.*
- **Undocumented immigrants should not be allowed to benefit from the CTC**
 - *RESPONSE: The CTC is meant to benefit children. Most of the children that would be affected by restricting the CTC to those with social security numbers are US citizens born in this country. (For legislators with large Hispanic constituencies you may want to point out that four out of five children affected are Hispanic.)*

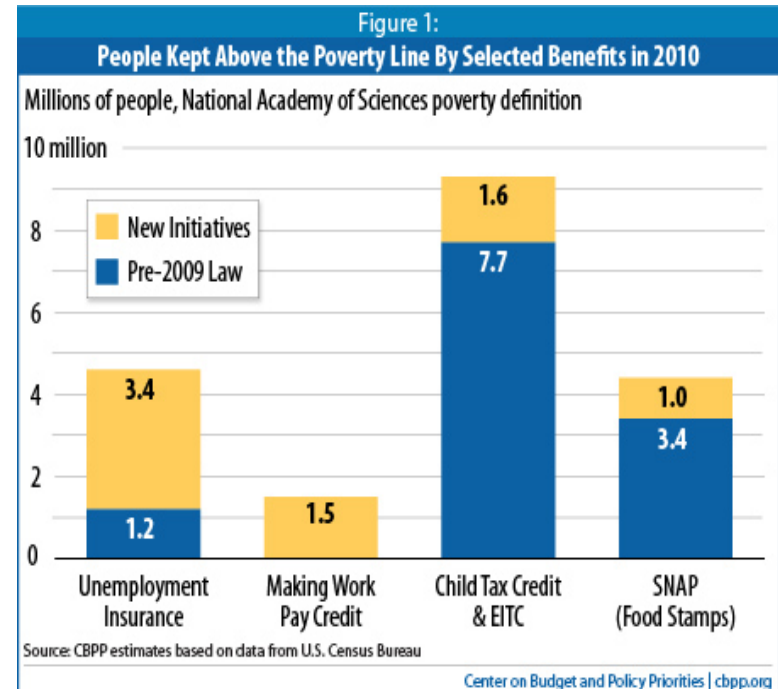
June Action:

Urge Congress to Extend the ARRA Improvements to EITC and CTC

- In 2009, Congress passed the *American Recovery and Reinvestment Act* (ARRA) which made significant improvements to the EITC and CTC
 - Married couples can now earn more without losing their EITC
 - Families with 3 or more children get a larger EITC (previously received same credit at 2 children families)
 - Income eligibility threshold for the CTC lowered to \$3,000 so more low-income families could claim it (previously had to earn more than \$12,000 to claim the CTC)
- These changes were set to expire at the end of 2010, but RESULTS volunteers and our allies successfully lobbied worked to extend these improvements until December 2012

ARRA Improvements Are Vital to Working Families

- CBPP estimates that the ARRA EITC and CTC improvements alone lifted 1.6 million people out of poverty in 2010, more than half of them children
- If allowed to expire at the end of 2012:
 - 900,000 families will lose the EITC and another 7.7 million families will see their EITC reduced
 - 7.6 million children will lose the CTC and another 10.5 million families will see their CTC reduced



RESULTS urges Congress to protect low-income working families by making the 2009 EITC and CTC improvements permanent.



Key Points for Letters

- **The EITC and CTC are pro-family.** They encourage responsibility and primarily benefit families with children.
- **The EITC and CTC promote work.** You must work to get them and because the credits increase the more you earn, they incentivize employment even in low wage jobs. Studies show that this incentive works and that a majority of EITC recipients claim the credit no more than two years.
- **The EITC and CTC help local businesses and your local economy .** Taxpayers tend to spent their EITC and CTC quickly and locally. Studies show that the EITC generates at least [\\$1.50 - \\$2.00 in local economic activity for every \\$1 claimed.](#)
- **The EITC and CTC are excellent at poverty reduction.** They lifted [9.2 million people out of poverty in 2010.](#)

Remember! Not all messages are created equal.

Use messages you feel will best move your individual members of Congress to act.

The “Ask” for Your Letters

- Urge Congress to **make the 2009 improvements to the Earned Income Tax Credit and Child Tax Credit permanent** and to protect them from any cuts to benefits or eligibility in any deficit reduction efforts.
- Urge senators to talk to **Senate Finance Committee Chairman Max Baucus (D-MT) and Ranking Member Orrin Hatch (R-UT)**
- Urge representatives to talk to **House Ways and Means Chairman Dave Camp (R-MI-4) and Ranking Member Sander Levin (D-MI-12)**

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Taking Action: Find Local Data

[Half in Ten's interactive map](#) features state-by-state data that include poverty, food insecurity, and unemployment rates and percentage of folks without insurance or access to banks. You can also [download state-specific fact sheets](#).

Contact us if you want to help us reach out to Volunteer Income Tax Assistance (VITA) sites in your area for data!

RESULTS is working with Center on Budget and Policy Priorities and National Priorities Project to compile data on EITC and CTC (how much was claimed in recent years, and what's at risk with the expiring provisions) specific to your state and your Congressional District.

Taking Action: Discussion

1. Which of the messages you've heard today or elsewhere on the importance of low-income tax credit do you think will be most effective in letters and meetings with your members of Congress?

After a few minutes discussing this with your group, we'll ask some of you to share what you came up with.

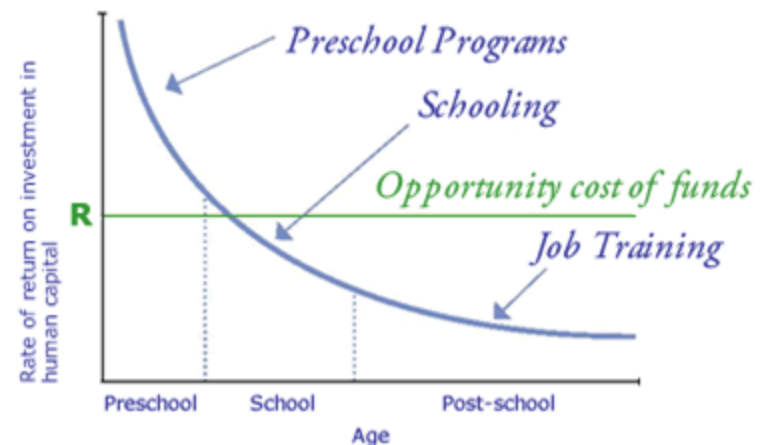
Early Childhood Development: Smart Investments in the Early Years

- Need inspiration? Watch this: [“Change the First Five Years and You Change Everything”](#)
- Head Start serves less than 50 percent of eligible preschoolers
- [Early Head Start](#) serves 3.5 percent of all eligible families.
- The [Child Care Development Block Grant \(CCDBG\)](#) serves only one out of six eligible children.

Return On Investment (ROI) is Strong in Early Learning

Policymakers should invest in young children, where the return on investment is stronger than in low-skill adults.

- Nobel Laureate James Heckman



Rates of return to human capital investment initially setting investment to be equal across all ages.

Senate Action on Early Childhood Funding Next Week

- The Senate Labor, Health and Human Services, and Education (“Labor H”) Appropriations Subcommittee scheduled to meet on June 12.
- **TAKE ACTION:** Call Senate offices and urge your senator to support a:
 - \$325 million increase in Head Start and Early Head Start funding
 - \$825 million increase in CCDBG funding

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Put Child Care On the Map!

Check out our new campaign "[Put Child Care on the Map](#)" - and let's get child care on the radar screens for policymakers (and on this map!)

The screenshot shows the RESULTS.org website. At the top is the RESULTS logo and navigation links for Blog, Newsroom, Video, Publications, and My RESULTS. Below is a menu with Take Action, Skills Center, Issues, About, Events, and Donate. The main content area features the title "Put Child Care on the Map!" and a sub-header "Issues". A text box on the right contains the following text: "The federal government plays a huge role in child care policy and funding, but child care isn't front and center for too many Members of Congress. They need our help to know more, and know how urgently we need their action for child care." Below this, another text box says: "You know how important it is for families to have access to good, reliable, high-quality child care. You also know that good care is in short supply, and assistance with paying for child care is increasing all around the country. We need Congress to be found to cover this year to make sure every member of our community has access to quality child care: everything from the opportunities to the employers who count on staff to come every day to work. We need Congress to provide assistance to tax credits to dollars to improve quality. They need to know about the good things happening for young children in the community."

The screenshot shows a Google Map of the United States with several colored pins indicating child care locations. The left sidebar contains the following information:

- Putting Child Care on the Map**
- You can help child care on the map! For details, see http://www.results.org/issues/us_poverty_campaigns/ea
- Public · 4 Collaborators · 2,252 views
- Created on Apr 19 · By vvilott · Updated yesterday
- Rate this map · Write a comment · KML
- Get directions · My places
- Salem, OR**
U.S. Representative Kurt Schrader (D-OR-5) visited a KinderCare Center. April 2012
- This could be you!**
Join the initiative to Put Child Care on the Map today!
- This could be you!**
Join the initiative today!
- Cedar Rapids, IA**
RESULTS volunteers from Cedar Rapids and Des Moines met with Rep. Bruce Braley (D-IA-1) April 13, 2012
- Bethesda, MD**
RESULTS volunteers from the DC area met with Rep. Chris Van Hollen (D-MD-1) April 13, 2012

Let us know if you've taken action!

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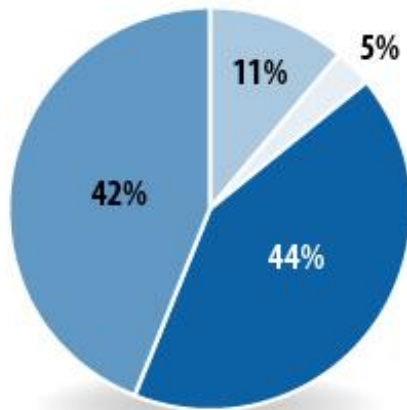
Hunger in America and the Importance of SNAP

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SNAP is the nation's first line of defense against hunger.

- SNAP is targeted to go to the neediest people in our country. 93 percent of benefits go to households with incomes below the poverty line.
- Overall, 49 percent of all participants are children (18 or younger)
- 52 percent of SNAP households include children and 76 percent of all benefits go to households with children.
- SNAP lifted 4.4 million people out of poverty in 2010

More than 40 Percent of SNAP Households
Are Very Low Income, Living Below Half of Poverty Line



Source: USDA Food and Nutrition Service Quality Control Data, FY 2009.

Center on Budget and Policy Priorities | cbpp.org

Protecting SNAP in the Farm Bill

- SNAP is considered as a part of the Farm Bill, reauthorized every five years, and on the Senate floor next week.
- The Senate Agriculture Committee Farm Bill cuts over \$4 billion from SNAP, targeting the [“Heat and Eat” provision](#).
 - Congressional Budget Office (CBO) estimates will mean that 500,000 households a year would lose \$90 per month in SNAP benefits.
- Sen. Kirsten Gillibrand (D-NY)’s [amendment](#) restores the cuts to SNAP and invests \$500 million in the Fresh Fruit and Vegetable Snack program.
- **TAKE ACTION:** Call Senate offices using Feeding America’s toll-free number: **(877) 698-8228** . Urge your senator to cosponsor Sen. Gillibrand's amendment. Also ask the aide to tell your senator to oppose any other amendments that would cut SNAP and other nutrition assistance programs.

Roll Call

1. How many people are in the room?
2. How many letters to your representatives and senators on protecting low-income tax credits will you send this month?
3. How many new people will you reach out to and connect them with RESULTS?

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Announcements

- **International Conference:** [Register today!](#) Remember, the registration goes up after June 15.
- If you're attending the International Conference, **please contact Meredith to set up a "lobby prep" call with your group** before you come to DC (dodson@results.org; (202) 783-7100, x116) .
- RESULTS will be **connecting groups with young leaders** coming to the conference.
- We also invite you to run or walk (or just cheer on) with members of RESULTS staff for the **Crystal City Twilighter 5K race at the International Conference** (near the conference hotel immediately after the Conference Kickoff Meeting on Saturday, night July 21). It'll be lots of fun and you can it to finish out your Friends & Family efforts by inviting people to donate to your race. We'll have an online fundraising webpage to help you (coming soon). Contact Cindy Levin at clevin@results.org if you'd like to participate.

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Announcements

- Don't forget to take your list of contacts and begin reaching out to them. Again, a great first step is simply asking them to attend a **RESULTS Introductory Call**. The next call is this **Friday, June 15 at 1:00 pm ET**. People can register at <http://tinyurl.com/RESULTSMeetandGreet>.
- Our next RESULTS "Free Agents" call for U.S. poverty volunteers is Tuesday, June 19 at 9:00 pm ET. Please contact Jos Linn at jlinn@results.org for more information.
- **Tell us what you thought of today's call!** Take a short survey here: <http://tinyurl.com/JuneCall>.

Next RESULTS U.S. Poverty Call:
Saturday, July 14, 12:30 pm ET

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Contact Information

RESULTS U.S. Poverty Team:

- Meredith Dodson, Director of U.S. Poverty Campaigns, (202) 783-7100, x116, dodson@results.org
- Jos Linn, Senior Associate, U.S. Poverty Campaigns, (515) 288-3622, jlinn@results.org
- Jenny Martin, U.S. Poverty Grassroots Organizer, New England, (413) 774-1707, jmartin@results.org
- Ann Beltran, U.S. Poverty Volunteer Lobbyist, abeltran@results.org
- Tavia Benjamin, 2012 Emerson Hunger Fellow, tbenjamin@results.org
- Allison Burkett, 2012 Emerson Hunger Fellow, aburket@results.org
- Katja Kleine, U.S. Poverty Intern, kkleine@results.org
- Ann Jacob, U.S. Poverty Intern, ajacob@results.org
- Cindy Changyit Levin, Grassroots Development Associate, (773) 236-7758, clevin@results.org

Download full Economic Opportunity PPT at:

http://www.results.org/uploads/files/econ_opportunity_ppt.ppt