

# EITC/CTC REQUESTS

## Prioritize Tax Policies That Focus on Working Families

Please speak directly to congressional leadership, including House (Ways and Means Committee Leaders Richard Neal and Ranking Member Kevin Brady) or Senate (Finance Committee Leaders Chuck Grassley and Ranking Member Ron Wyden) leaders, urging them to **prioritize tax policies that create economic mobility by expanding the Earned Income Tax Credit and the Child Tax Credit**. To demonstrate support for tax credits for working families, we urge you **support the Working Families Tax Relief Act (S. 1138/H.R. 3157)** and advocate for **expansions of the Earned Income Tax Credit and the Child Tax Credit for low-income families in any tax bills this year**.

## Refundable Tax Credits Support Working Families

The Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) are pro-work, pro-family financial lifelines for people working in low-wage jobs. Both credits encourage people to work while reducing poverty; together, they lifted 8.3 million Americans above the poverty line in 2017.

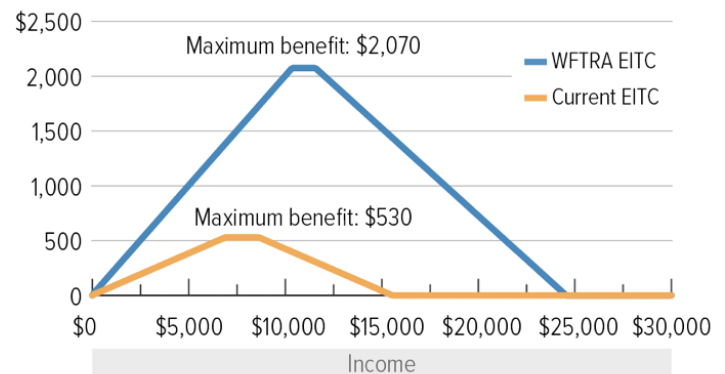
## Opportunities to Expand EITC and CTC

The Working Families Tax Relief Act (S. 1138/H.R. 3157), would improve the EITC and CTC to boost the financial security of 46 million households, including 8 million Black families, 9 million Latinx families, and 2 million Asian American families. The bill would also cut child poverty nationally by 28 percent, lifting 3.1 million children out of poverty and making another 7.7 million children less poor. Specifically, the bill would:

- Increase the EITC for families with children by roughly 25 percent
- Substantially increase the EITC for workers not raising children and lower eligibility to age 19; this is the only group in the tax code that is taxed *into* poverty
- Make the full \$2,000 CTC available to all low- and moderate-income families
- Create a new Young Child Tax Credit that would provide families with children under 6 years old an extra \$1,000 per child (for a total CTC of \$3,000 per child)
- Make the CTC equally accessible to families in Puerto Rico and expand Puerto Rico's EITC

### Working Families Tax Relief Act (WFTRA) Would Boost Childless Workers' EITC

Earned Income Tax Credit for single childless worker, 2019



Note: Assumes all income is from earnings (as opposed to investments, for example).

Source: Internal Revenue Service and CBPP calculations

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Overall, expanding the EITC and CTC would help make sure that low-income parents can give their children a good start in life, and help working people afford transportation and other things they need to stay on the job. Last month, the House Ways and Means Committee passed temporary expansions of both the EITC and CTC in a broader tax package – H.R. 3300's expansion of the EITC would raise the after-tax incomes of 16 million childless adults and the CTC changes would benefit more than 42 million children under age 17. We urge you to **include an expansion of the CTC and EITC in any tax legislation that moves in this Congress, and cosponsor S. 1138/H.R. 3157 if you have not already done so.**