

EITC/CTC REQUESTS

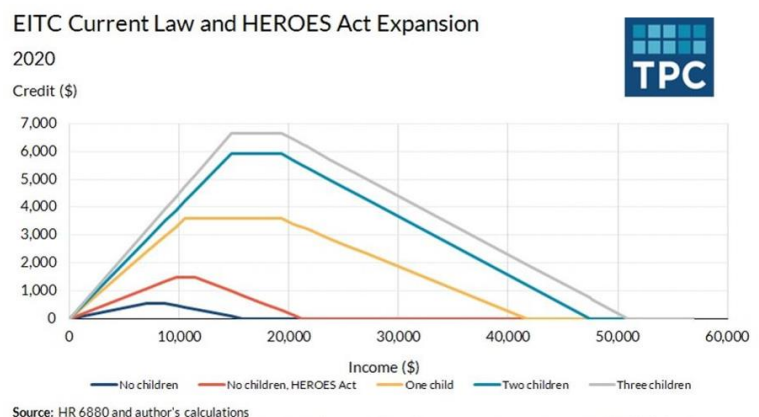
Prioritize Tax Credits for Low-Wage Workers and Families

To help people facing financial hardship and boost the economy, **Congress must temporarily expand the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC) as part of the next federal emergency relief package.** Expanding the size and reach of these tax credits would put money into the pockets of working people in early 2021, as the non-partisan Congressional Budget Office estimates the unemployment rate to be greater than 9 percent well into next year.

Expand EITC and CTC

The Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) are financial lifelines for families working in low-wage jobs. Both credits encourage people to work while reducing poverty, and, together, they lifted 8.9 million Americans above the poverty line in 2018. Unfortunately, an **estimated 27 million children in low-income families do not receive the full CTC** because their parents' earnings (or lack thereof) are too low. Also, **over 5 million low-wage workers** who are not raising children at home, including young adults left out of the EITC altogether, **are taxed into or deeper into poverty each year.** With millions of workers and families unable to meet housing and food costs in the current economic crisis, and the recession projected to continue into 2021, these low-income Americans should be a priority for Congress in any upcoming legislation.

By expanding the EITC and CTC, Congress could boost the financial security of the poorest households. According to the Tax Policy Center, three-quarters of benefits from the House's temporary changes to the EITC would go to workers in the bottom 20 percent of the income distribution. Also, the Center on Budget and Policy Priorities estimate that making the Child Tax Credit fully available would lift more than 3 million people — including 2 million children — above the poverty line.



Overall, expanding the EITC and CTC while our economy recovers would help low-income workers make ends meet and parents better afford the necessities vital to giving their children a good start in life. RESULTS also supports proposals to allow people to claim their EITC for 2020 based on either their 2019 or 2020 income, whichever yields the greater credit. In conclusion, **RESULTS urges you to communicate to congressional leadership your support for expanding the EITC and CTC for low-income workers and families in the next emergency relief package.**