



2017 CITC Advocacy Institute Earned Income Tax Credit Factsheet

Overview: The Earned Income Tax Credit (EITC) helps more than 27 million eligible workers and families receive tax credit refunds annually. These refunds range from a maximum credit of \$506 (for households with no dependents) to \$6,269 (for households with three or more children). The average refund credit is \$2,455. Eligibility is currently based on the worker's income, number of dependents, and age requirements (25-65). **Congress must expand EITC so workers of a wider age group, who are entering and staying in the workforce longer, can receive the same economic benefits.**

Targeted Messages:

1) The #EITC4me campaign believes low-wage workers should not be further taxed into poverty.

- EITC is unavailable to workers aged 21-24 who are contributing to the workforce, and are not claimed as dependents on anyone else's tax return.
- EITC is also unavailable to workers aged 65+ who are still working because they may not qualify for Social Security or retirement, or need additional income to pay for housing or healthcare expenses.
- EITC is not available for millions of low-wage workers not raising children. There is a small portion of workers without children who do receive EITC. However, these workers do not receive enough of a tax credit to offset their income and payroll taxes. This leaves them with even less take-home pay to cover their basic needs.

2) EITC Expansion's Impact on Asian American Pacific Islander Communities

- There are over 2 million AAPIs living in poverty. Between 2009-2014, the number of AAPIs in poverty increased by 38% - significantly higher growth than other major racial or ethnic groups.
- Based on National CAPACD's publication, "Spotlight: Asian American and Pacific Islander Poverty," seniors and youth are both high need segments of the AAPI population. The Asian American poor population is older with higher rates of senior poverty, while the NHOPI poor population is a younger age group; for this reason, these two age segments could benefit most from expansion of EITC.
- Access to EITC can help many younger Asian American Pacific Islander workers who are entering the workforce working in low-wage jobs to help provide income for their families.
- Access to EITC can help many immigrant older workers who are staying in the workforce longer in low-wage jobs. They do not have access to retirement savings and are working towards earning Social Security credits to help cover their living or medical expenses.

3) EITC's Impact on American Society

- There is bipartisan support of EITC because it reflects American values of hard work.
- Expanding EITC to include more workers can improve local economies. Recipients of EITC often use the tax credit to pay for basic needs like food, expenses like car or home repair that may have been put off due to limited resources, or to purchase local goods or services.