

Dear Senator,

You and 45 other Senators are cosponsors of an important proposal — the Working Families Tax Relief Act — that would help 46 million households with over 100 million people. The bill would close two major gaps in the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) — ensuring that the federal tax code doesn't continue to tax millions of low-wage workers into, or deeper into, poverty each year and ensuring that the tax code doesn't exclude millions of low-income children from the full Child Tax Credit. There is now an opportunity to enact an important down payment on your proposal *this year*, as part of a tax extenders package. We seek your active support for this effort.

The EITC and CTC together reduce child poverty to a greater degree than any other program. In addition, studies show that they encourage work and have important long-term benefits for children, improving their health and school performance, college attendance, and lifetime earnings. But two serious gaps in the credits deserve very high priority in a tax extenders or other tax package this year:

- Workers not raising children in their home receive little if anything from the EITC. Largely as a result, more than 5 million low-wage workers who aren't raising children in their home are actually taxed into — or deeper into — poverty by the federal tax code, the sole group in the country for which this is the case. This includes about 1 million Black workers, 1 million Latino workers, and 2.5 million women.
- The 2017 law's highly touted \$1,000-per-child increase in the CTC was designed in such a way that it largely bypassed 26 million children in low- and moderate-income working families. And many very poor children are shut out of the CTC altogether because their families are too poor to qualify. The CTC now provides \$2,000 per child to help families that make as much as \$400,000 while doing little or nothing for the nation's poorest children.

Fortunately, the House Ways and Means Committee approved a tax extenders package in June (H.R. 3300, the Economic Mobility Act) which includes EITC and CTC improvements that would make important progress toward closing these gaps:

- **Expanding the EITC for workers not raising children:** The bill would, for the next two years, significantly boost the small EITC for workers not raising children. It also would expand the eligibility age range for this group of workers, from ages 25-64 to ages 19-65. As a result, about 5 million workers would no longer be taxed into, or deeper into, poverty each year. The bill also includes a much-needed expansion in Puerto Rico's small EITC.
- **Improving the Child Tax Credit so it doesn't leave out millions of low-income children:** For the next two years, the bill would also make the CTC fully refundable so that poor and near-poor children can receive the full credit, just as middle-income families and families well up the income scale do. That would lift nearly 2 million children above the poverty line and another 8 million children closer to the poverty line (using the Supplemental Poverty Measure). The bill also would increase the

CTC for children through age 3 and expand the Child and Dependent Care Tax Credit.

The bill's EITC improvements would raise the after-tax incomes of 16 million childless adults, including 3 million Latino workers, 3 million Black workers and about 700,00 Asian American workers. Its Child Tax Credit improvements would benefit more than 42 million children under age 17, including 12 million Latino children, 7 million Black children, and 2 million Asian American children.

The bill also would benefit about 2 million veteran or active-duty households and nearly 3 million working households where the filer or their spouse has a disability.

It's important for policymakers to adhere to a principle that was strongly supported by a number of members from both Chambers when the 2015 tax-extenders package was being considered — that any package that extends or expands expiring business tax breaks should also include tax measures to aid struggling families and children. (In 2015, the large tax extenders package made permanent the Recovery Act's EITC and CTC improvements, which were otherwise slated to expire.) As the Senate considers extending expiring tax breaks and/or making technical corrections to the TCJA, we strongly urge you to support efforts to help millions of struggling families as well. We believe that any final tax extenders agreement this year should include the Ways and Means Committee's EITC and CTC improvements.

Sincerely,

1. 9to5, National Association of Working Women
2. American Federation of State, County and Municipal Employees (AFSCME)
3. American Federation of Teachers
4. American Psychological Association
5. Americans for Democratic Action (ADA)
6. Americans for Tax Fairness
7. Arc of the United States
8. Asset Building Strategies
9. Bread for the World
10. Caring Across Generations
11. Center for American Progress
12. Center for Law and Social Policy (CLASP)
13. Center for Public Justice
14. Center on Budget and Policy Priorities
15. Child Care Aware of America
16. Child Welfare League of America
17. Children Defense Fund
18. Children's HealthWatch
19. Christian Community Development Association
20. Christian Reformed Church Office of Social Justice
21. Church World Service
22. Coalition on Human Needs
23. Community Change Action
24. Conference of Superiors of Men (Catholic)
25. Congregation of Our Lady of Charity of the Good Shepherd, US Provinces

26. Demand Universal Healthcare - DUH
27. Dominican Sisters of Peace
28. Early Care and Education Consortium
29. Economic Security Project Action
30. Equal Rights Advocates
31. Equal Voice Action
32. Faith in Public Life
33. Family Focused Treatment Association
34. Feeding America
35. First Focus Campaign for Children
36. Food Research and Action Center (FRAC)
37. Forum for Youth Investment
38. Franciscan Action Network
39. Friends Committee on National Legislation
40. Futures Without Violence
41. Generations United
42. Global Justice Institute
43. Hispanic Federation
44. Indivisible
45. Jewish Council for Public Affairs
46. Just Harvest
47. Justice in Aging
48. Latinos for a Secure Retirement
49. Leadership Conference of Women Religious
50. Main Street Alliance
51. MAZON: A Jewish Response to Hunger
52. MomsRising
53. NAACP
54. National Advocacy Center of the Sisters of the Good Shepherd
55. National Asian Pacific American Women Forum (NAPAWF)
56. National Association for Children's Behavioral Health
57. National Association for the Education of Young Children
58. National Center on Adoption and Permanency
59. National Coalition Against Domestic Violence
60. National Coalition for Asian Pacific American Community Development (National CAPACD)
61. National Coalition for the Homeless
62. National Consumer Law Center
63. National Council of Jewish Women
64. National Education Association
65. National Employment Law Project (NELP)
66. National Employment Lawyers Association
67. National Human Services Assembly
68. National Indian Child Welfare Association
69. National LGBTQ Task Force Action Fund
70. National Low Income Housing Coalition
71. National Military Family Association
72. National Organization for Women
73. National Resource Center on Domestic Violence (NRCDV)
74. National WIC Association

75. National Women's Law Center (NWLC)
76. NETWORK Lobby for Catholic Social Justice
77. Network of Jewish Human Service Agencies
78. Opportunity Fund
79. Oxfam America
80. Parents as Teachers National Center
81. Poligon Education Fund
82. Poor Peoples Economic Human Rights Campaign
83. Presbyterian Church (U.S.A.)
84. Prosperity Now
85. Province of St. Joseph of the Capuchin Order
86. RESULTS
87. Sisters of Charity Federation
88. Sisters of Charity of Nazareth Congregational Leadership
89. Sisters of Charity of Nazareth Western Province Leadership
90. Sisters of Charity, BVM
91. Sisters of the Holy Cross
92. TASH
93. The Episcopal Church
94. The Leadership Conference on Civil and Human Rights
95. Treatment Communities of America
96. Ujima Inc: The National Center on Violence Against Women in the Black Community
97. UnidosUS
98. Union for Reform Judaism
99. Unitarian Universalists for Social Justice (UUSJ)
100. United Church of Christ Justice and Witness Ministries
101. Voices for Progress
102. Women of Color Network, Inc.
103. Woodstock Institute
104. Young Invincibles
105. YWCA USA