

Honorable Charles E. Schumer
United States Senate
322 Hart Office Building
Washington, DC 20510

Dear Senator Schumer:

As you consider how Congress can help hardworking Americans next year, we, the undersigned organizations, ask you to ensure that low-wage, working Americans are no longer taxed into poverty.

We thank you for signing on to Sen. Brown's bill (S. 1012), which would both expand the Earned Income Tax Credit to low-wage workers between the ages of 21-24, as well as make the EITC more adequate for all low-income workers. His proposal would reach 1.1 million workers in New York State alone, including 27,000 current and former members of the military, 282,000 young workers, 309,000 Latino workers, 183,000 African-American workers, 113,000 Asian workers and 60,000 workers in rural areas.

Right now, 7.5 million workers not raising children are taxed into - or deeper into - poverty, mainly because they are largely or entirely excluded from the very effective Earned Income Tax Credit (EITC). We strongly urge you to continue your support of an expansion of the EITC's pro-work success to these hardworking Americans.

The EITC successfully promotes work among low-wage working families with children. In our state, 1.9 million households receive the credit, which helps them keep more of their hard-earned wages to meet their basic needs, escape poverty, and become more self-sufficient. But the EITC is unavailable to low-wage workers aged 21-24 who aren't raising children—and largely unavailable to those workers aged 25 and over, as their EITC is too small to offset their federal income and payroll taxes.

For example, someone in this group working full time and almost year-round at the federal minimum wage earns \$12,494—which is right at the poverty line. This worker then pays \$214 in federal income taxes and \$956 in payroll taxes while receiving only \$184 from the EITC.

Their inadequate or nonexistent EITC fails to protect these low-wage workers from being taxed into or deeper into poverty, leaving them with too little take-home pay to cover food, transportation to their job, and other necessities. It also fails to provide a strong work incentive for these workers in the way the credit does for working families with children.

The workers affected by this gap in the EITC include some current and former members of the military, young workers trying to get a foothold in the labor market,

and over a million working parents who want to meet their responsibilities to their kids though they don't live with them.

During the 1990s, EITC expansions did more to raise employment among single mothers with children than either welfare reform or the strong economy. Similar to the EITC's pro-work and anti-poverty effects for low-income families with children, expanding the EITC for workers not raising children would encourage and reward work, increase employment, and reduce poverty. By doing so, highly regarded researchers say, it may also reduce incarceration rates and raise young people's marriage prospects.

No working American should be taxed into poverty. We ask you to actively work to fix this problem in any tax legislation next year—such as a potential bipartisan bill on taxes and infrastructure—by lowering the EITC's eligibility age for low-wage workers not raising children and improving their maximum tax relief through the credit.

Thank you for considering our views.

Alliance for Quality Education
Center for Independence of the Disabled, NY
Central New York Citizens in Action, Inc.
Church Women United in New York State
Citizen Action of New York
Coalition for the Homeless
Commission on the Public's Health System (CPHS)
Community Action Partnership for Dutchess County
Community Action Planning Council of Jefferson County, Inc.
Community Resource Exchange
Community Service Society of New York
Cortland County Community Action Program, Inc.
Day Care Council of New York
Early Care & Learning Council
Empire Justice Center
Fiscal Policy Institute
Federation of Protestant Welfare Agencies
Good Shepherd Services
Harm Reduction Coalition
Health and Welfare Council of Long Island
Hester Street Collaborative
Homeless and Travelers Aid Society
Homeless Services United, Inc.
Human Services Council
Hunger Action Network of New York State
Hunger Solutions New York

Huntington Family Centers
Interfaith Nutrition Network
Journey United Church of Christ
Justice & Peace Resource Center
LAPA Fundraising
Long Island Progressive Coalition
Metro New York Health Care for All Campaign
Mohawk Valley Community Action Agency
Northern Rivers Family Services
New York Council of Nonprofits, Inc.
NYS Episcopal Public Policy Network
NYS Association of Alcohol and Substance Abuse Providers
NYS Alliance of Retired Americans
NYS Community Action Agencies
Opportunities for a Better Tomorrow
Prevent Child Abuse NY
PEACE, Inc.
Prevent Child Abuse New York
Rural & Migrant Ministry
SCD Consulting
Schenectady Community Action Program, Inc
Schuyler Center for Analysis and Advocacy
Single Stop
The Center for Law and Social Policy (CLASP)
The Financial Clinic
The Robin Hood Foundation
U.S. Committee for Refugees and Immigrants
Ulster County Community Action
United Way of Buffalo/Erie County
United Way of New York State, Inc.
Unity House of Troy, Inc.
VillageCare
Violence Intervention Program
Westchester Community Opportunity Program Inc. (WestCOP)
Wildwood Programs, Inc.
Winning Beginning NY
Women's City Club of New York
Young Invincibles, NY