

FISCAL POLICY INSTITUTE

ONE LEAR JET LANE / LATHAM, NEW YORK 12110 / (518) 786-3156
11 PARK PLACE / NEW YORK, NY 10007 / (212) 721-5624

October 8, 2019

Representative Thomas Suozzi
(202) 225-3335
214 Cannon House Office Building

RE: Working Families Tax Relief Act

Dear Representative Suozzi:

The Working Families Tax Relief Act ([H.R.3157](#)) offers an excellent opportunity to improve the economic security of many working New Yorkers in your congressional district and throughout the state. As such, we the undersigned organizations representing faith groups, unions, human service organizations and others respectfully urge you to cosponsor this important measure.

Many New Yorkers working for low wages struggle to stay afloat, much less move ahead, as costs rise faster than their paychecks. **Despite their work efforts, too many New Yorkers struggle to provide for themselves and their children.** Even in rural, non-metro counties of New York State, a single parent of a preschool aged child needs to earn \$35,000 a year to be self-sufficient. In urban counties, a single parent with a preschool aged child needs to earn \$54,000. To strengthen our communities and our economy, we need to ensure that working people can improve their circumstances and all children have a chance to succeed.

A landmark new proposal, which Senators Schumer and Gillibrand have cosponsored, offers a promising path forward. Fortunately, Representatives Kildee and Evans have introduced the same companion measure in the House (H.R. 3157). The Working Families Tax Relief Act strengthens the highly successful Earned Income Tax Credit (EITC). It also improves the Child Tax Credit (CTC), helping millions more children in low-income families get a good start in life.

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 the eligibility age to 19
- 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 of \$3,000 per child)
- Make the CTC equally accessible to families in Puerto Rico, while also expanding Puerto Rico's EITC

In New York, the Working Families Tax Relief Act would make 2.6 million families more financially secure. It would benefit more than 6.5 million New Yorkers, including 2.7 million children. The benefits would spread broadly across racial groups and in every corner of our state. The proposal would help struggling families afford basic necessities, keep stable employment, enrich their children's lives, and seek training to get a higher-paying job.

The bill would reduce the number of people living in poverty, an impact that would be particularly dramatic for children. The legislation would cut child poverty by 28 percent and would nearly fully remedy the fact that the federal tax code pushes 5 million working adults who earn low wages and are not raising children into or deeper into poverty.

For example, under the bill, a single mother of two earning \$20,000 a year would get a nearly \$3,700 boost and a couple with two children earning \$45,000 would get an extra \$3,500 back from the EITC and CTC at tax time. The maximum benefit for an adult without children would increase substantially, from \$530 to \$2,100.

The Working Families Tax Relief Act is exactly the type of legislation that will meaningfully improve the well-being of many of New York's working families struggling economically. In fact, the House Ways and Means Committee recently adopted a tax extenders package that incorporates some of the provisions in the Working Families Tax Relief Act on a temporary basis, in keeping with the precedent of including help for working people and others struggling to make ends meet as part of any legislation extending tax breaks for businesses. The House Ways and Means proposal represents an important down payment on these EITC and CTC expansions, while in the long run, the permanent expansions in the Working Families Tax Relief Act represent where we need to go.

We urge you to sponsor the Working Families Tax Relief Act (H.R. 3157). Thank you for considering our views.

Sincerely,

CAMBA, Inc.
Catholic Charities of Chemung/Schuyler Counties
Center for New York City Affairs
Children's Defense Fund-New York
Chinese-American Planning Council
CHN
Church Women United in New York State
Citizen Action of NY
Coalition for the Homeless
Community Resource Exchange
Day Care Council of New York

Early Care & Learning Council
Empire Justice Center
Fiscal Policy Institute
FPWA
Good Shepherd Services
Greater New York Labor- Religion Coalition
Human Services Council
Jacob A. Riis Neighborhood Settlement
MercyFirst
Metro New York Health Care for All
Mohawk Valley Community Action Agency
New York State Council of Churches

New York StateWide Senior Action Council, Inc.
North Bronx National Council of Negro Women
Professional Staff Congress / AFT Local 2334
Project Hospitality
Rochester-Monroe Anti-Poverty Initiative
(RMAPI)
Schenectady Community Action Program, Inc.
Schuyler Center for Analysis and Advocacy
The Children's Agenda

The Financial Clinic
United Neighborhood Houses
United Way for Cortland County
United Way of Buffalo & Erie County
United Way of New York State
WHEDco
WomanKind
Workers Center of the Southern Tier New York
You Gotta Believe