July 10, 2015

Help Working Families—Not Just Business:
Vote to Make the EITC and the CTC Permanent

Dear Senator:

On behalf of The Leadership Conference on Civil and Human Rights, a coalition charged by its diverse membership of more than 200 national organizations to promote and protect the rights of all persons in the United States, we urge you to extend and make permanent the improvements to the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC). Congress must not enact business tax extenders without also taking care of our nation’s families, by making the EITC and CTC permanent in order to ensure that millions of working families and children do not fall into, or further into, poverty.

The EITC and CTC are federal tax credits that supplement the incomes of low- and moderate-income families each year and are two of the most important tools that the nation has in its arsenal to fight poverty. As a coalition that represents organizations working with low-income communities across the United States, The Leadership Conference believes that the EITC and CTC are indispensable and must be made permanent to ensure that our nation’s families and children can depend upon these critical poverty-fighting tools now and in the future. If Congress allows these credits to expire at the end of 2017, the consequences will be dire: approximately 50 million Americans (half of whom are children) would lose all or part of their tax credits. Communities of color would bear a particularly heavy burden. We cannot allow this to happen.

The EITC and CTC lifted 9.4 million people out of poverty in 2013 alone, and gave 22 million others the ability to generate additional income,¹ while also providing significant income, educational, and health benefits.² The EITC and CTC are proven ways to encourage and reward work, offset federal payroll and income taxes, and raise living standards for families throughout our nation. The data also demonstrate that children from working families that receive these supplemental tax credits do better in school, are more likely to attend college, have better health, and can be expected to work and earn more as adults.³

One significant area for improvement of the EITC is the coverage for low-wage childless workers. Currently, low-income childless adults and non-custodial parents are not covered

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by the EITC. The EITC should be expanded to cover low-wage, childless workers, rather than taxing this group of almost 8 million workers further into poverty.

Given these facts, the case for making the EITC and CTC permanent is obvious. Just as clear is the point that such an investment in our nation’s families is not only a good decision for our current economy, but also an investment in our future. Congress should take the opportunity to make these tax credits permanent at the earliest opportunity, and expand the EITC to cover childless workers, rather than risking the loss of such proven poverty fighting tools.

For these reasons, we strongly urge you to support making permanent the EITC and CTC as part of any tax legislation. Thank you for your consideration. If you have any questions, please contact Emily Chatterjee, Senior Counsel, at (202) 466-3648.

Sincerely,

Wade Henderson
President & CEO

Nancy Zirkin
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