

December 2, 2015

Dear Senator Manchin,

We, the undersigned organizations, which represent faith leaders, civil rights, labor, women's, consumer and other organizations working to reduce poverty, urge Congress to act this year to save critical provisions of the Earned Income Tax Credit (EITC) and refundable Child Tax Credit (CTC) before they expire. Congress also should close a large gap in the EITC by expanding it for low-income childless adults and non-custodial parents, the lone group of workers that the tax code taxes into (or deeper into) poverty.

The EITC and CTC are among the nation's strongest tools to help working families escape poverty and achieve greater self-sufficiency. Together, they lifted 9.4 million people out of poverty— and made 22 million others less poor – in 2013. They also lift 5 million *children* out of poverty, more than any other program, and they did as much or more to raise employment among single mothers as welfare reform, extensive research shows.

In West Virginia, 160,000 West Virginia households received the EITC in 2012 and 95,000 received the CTC. During 2011 to 2013, 38,000 West Virginians were lifted out of poverty by the EITC and CTC, including 18,000 children. The EITC put about \$341 million into West Virginian's economy in 2012.

If Congress lets critical provisions of these credits expire at the end of 2017, some 81,000 West Virginia families, including 131,000 children, will lose part or all of their tax credits — and more than 40,000 West Virginians, including 18,000 children, will fall into or deeper into poverty. These critical components are both pro-work and pro-family: they reduce the marriage penalty that some two-earner families face in the EITC, boost the EITC for families with more than two children to reflect their higher living costs, and expand the CTC's reach among very-low-income working families.

Moreover, the EITC and CTC help children in working families at virtually every stage of their lives, groundbreaking research indicates. Children whose families receive an income boost from these credits on average do better in school and are likelier to go to college, likelier to work more and earn more as adults, and likelier to be healthier and avoid the early onset of various adult illnesses.

Unfortunately, low-wage childless workers (workers who don't claim dependent children) receive little from the EITC. In 2013, roughly 8 million such workers were taxed into or deeper into poverty, in part because of an inadequate EITC. Fortunately, both parties are promoting ways to address the problem. President Obama and such key lawmakers as House Ways and Means Chair Paul Ryan propose expanding the EITC for workers not raising children and lowering the eligibility age for this credit from 25 to 21. That would encourage and reward work, boost employment, reduce poverty, and — highly-regarded researchers suggest — therefore likely lower incarceration rates and raise the marriage prospects of young people.

As Congress considers tax proposals this year that would help business and other interests, it should not leave low-wage workers and their families behind. Instead, it should make these critical EITC and CTC provisions permanent, plug the gap in the EITC for childless workers, take responsible steps to improve the tax credits' integrity, and reject harmful proposals that would weaken the credits.

Thank you for considering our views.

Sincerely,

American Friends Service Committee

Communications Workers of America, AFL-CIO - West Virginia

National Association of Social Workers, West Virginia

Service Employees International Union District 1199

Southern Appalachian Labor School

United Way of the River Cities, Financial Stability Partnership

West Virginia AFL-CIO

West Virginia Alliance for Sustainable Families

West Virginia Center on Budget and Policy

West Virginia Citizen Action Group

West Virginia Council of Churches

West Virginia Covenant House

West Virginia Education Association

West Virginia Environmental Council

West Virginia FREE

West Virginia Healthy Kids and Families Coalition

West Virginians for Affordable Health Care