measure: <u>58 349</u>	
EXHIBIT: F Senate Finance and Revenue 76 th Session	
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Earned Income Tax Credit throughout Oregon

How the EITC impacts Oregon's House and Senate Districts

Oregon can make work more rewarding for low-income families by improving its Earned Income Tax Credit (EITC), currently set at 6 percent of the federal EITC.

Find out how many families are benefiting from the EITC in your legislative districts by clicking the on the districts below to go to the correct district. If you are unsure of your district go to http://www.leg.state.or.us/findlegsltr/.

House	House	Senate
Districts	Districts	Districts
HD: 1	HD: 31	SD: 1
HD: 2	HD: 32	SD: 2
HD: 3	HD: 33	SD: 3
HD: 4	HD: 34	SD: 4
HD: 5	HD: 35	SD: 5
HD: 6	HD: 36	SD: 6
HD: 7	HD: 37	SD: 7
HD: 8	HD: 38	SD: 8
HD: 9	HD: 39	SD: 9
HD: 10	HD: 40	SD: 10
HD: 11	HD: 41	SD: 11
HD: 12	HD: 42	SD: 12
HD: 13	HD: 43	SD: 13
HD: 14	HD: 44	SD: 14
HD: 15	HD: 45	SD: 15
HD: 16	HD: 46	SD: 16
HD: 17	HD: 47	SD: 17
HD: 18	HD: 48	SD: 18
HD: 19	HD: 49	SD: 19
HD: 20	HD: 50	\$D: 20
HD: 21	HD: 51	SD: 21
HD: 22	HD: 52	SD: 22
HD: 23	HD: 53	SD: 23
HD: 24	HD: 54	SD: 24
HD: 25	HD: 55	SD: 25
HD: 26	HD: 56	SD: 26
HD: 27	HD: 57	SD: 27
HD: 28	HD: 58	SD: 28
HD: 29	HD: 59	SD: 29
HD: 30	HD: 60	SD: 30

Campaign to Improve Oregon's EITC

Over 100 health and human service organizations, labor groups, businesses and local governments have joined *Oregonians for Working Families*, which has launched a campaign to enact a meaningful boost to Oregon's EITC.

For more information, contact Lee Mercer, Oregon Center for Public Policy, at lmercer@ocpp.org, (503) 873-1201.



P.O. Box 7, Silverton, OR 97381 www.oregoniansforworkingfamilies.org

Oregonians support increasing the EITC

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The problem: Taxes hit low-income, working families hardest

Oregon's working poor and near-poor families pay some of the nation's highest state income taxes. On top of that, other taxes and fees in Oregon's revenue system can hit low-income families hardest. For example, the new gas tax signed into law in 2009 and set to take effect in 2011 will, along with an increased vehicle fee already in effect, take a bigger bite out of the pocketbooks of low- and moderate-income households compared to better-off taxpayers. To offset the impact of the gas tax and vehicle fee increases on low-income families, Oregon's EITC would have to be at least 10.2 percent of the federal credit.

The policy solution: Improve Oregon's Earned Income Tax Credit

A state EITC is the most targeted way to improve the tax system for working families with children, but Oregon's EITC is too small for the task at hand. At 6 percent of the federal EITC, Oregon's EITC is one of the lowest among state EITCs, leaving low-income working families in Oregon with significantly higher taxes on their income than residents of other states. The solution is to boost Oregon's EITC to at least 18 percent of the federal credit.

What does the EITC mean for your constituents?

The EITC targets help to low-income working families with children. To claim the credit, a family has to have income from work. Most of the value of the credit goes to families with children who have income under \$20,000. In 2009, the federal EITC lifted an estimated 6.6 million people out of poverty, including 3.3 million children. The federal EITC lifts more children out of poverty than any other single program or category of programs.

How EITC Improvement Would Help Oregon Workers			
	Minimum wage worker	Child care worker	School bus driver
Average salary	\$17,472	\$21,555	\$29,783
Current Oregon EITC (6 percent)	\$302	\$299	\$196
Improved Oregon EITC (18 percent)	\$905	\$898	\$587
Increase with Oregon EITC raised to 18 percent	\$603	\$599	\$391

Source: Oregon Employment Department, 2010 Oregon Wage Information; IRS EITC estimator for tax year 2009.

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Senate District 18 Ginny Burdick (D)

EITC in Senate District 18 by the numbers

Number of families who claimed the federal EITC in 2007 in Senate District 18 **5,014**

* * *

Total federal EITC claimed in 2007 in Senate District 18 **\$6.80 million**

* * *

Estimated Oregon EITC* claimed in Senate District 18

at 6 percent of federal credit \$365,548

at 18 percent of federal credit \$1,096,644

*OCPP estimate, assuming 90 percent of Oregon taxpayers who claimed the federal EITC also claimed the Oregon EITC.



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Senate District 8 Frank Morse (R)

EITC in Senate District 8 by the numbers

Number of families who claimed the federal EITC in 2007 in Senate District 8 **6,854**

* * *

Total federal EITC claimed in 2007 in Senate District 8 **\$11.10 million**

* * *

Estimated Oregon EITC* claimed in Senate District 8

at 6 percent of federal credit **\$600,806**

at 18 percent of federal credit **\$1,802,417**

*OCPP estimate, assuming 90 percent of Oregon taxpayers who claimed the federal EITC also claimed the Oregon EITC.



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Senate District 14 Mark Hass (D)

EITC in Senate District 14 by the numbers

Number of families who claimed the federal EITC in 2007 in Senate District 14 **6,05**7

* * *

Total federal EITC claimed in 2007 in Senate District 14 **\$10.60 million**

* * *

Estimated Oregon EITC* claimed in Senate District 14

at 6 percent of federal credit \$570,896

at 18 percent of federal credit \$1,712,687

*OCPP estimate, assuming 90 percent of Oregon taxpayers who claimed the federal EITC also claimed the Oregon EITC.



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Senate District 27 Chris Telfer (R)

EITC in Senate District 27 by the numbers

Number of families who claimed the federal EITC in 2007 in Senate District 27 **9,670**

* * *

Total federal EITC claimed in 2007 in Senate District 27 **\$16.60 million**

* * *

Estimated Oregon EITC* claimed in Senate District 27

at 6 percent of federal credit \$898,879

at 18 percent of federal credit \$2,696,638

*OCPP estimate, assuming 90 percent of Oregon taxpayers who claimed the federal EITC also claimed the Oregon EITC.



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