To: Senate Finance and Revenue Committee (Senators Ginny Burdick, Brian Boquist, Larry George, Mark Hass and Diane Rosenbaum)

RE: Earned Income Tax Credit bills SB 326 and SB 507

February 27, 2013

Dear Senators,

I am not able to attend the hearing on Friday, March 1, so I am writing this testimony to ask you to please support the renewal and strengthening of the Earned Income Tax Credit in the Governor's budget.

I am a hard-working single mother of two young children; almost half of my monthly income goes to childcare (and that is even with assistance though the YMCA). Each year as I struggle to make ends meet for my family, I benefit from the State Earned Income Tax Credit. It allows me to put some money in savings and use it for emergencies throughout the year, like car repairs and doctor's bills, instead of racking up more consumer debt that would destabilize my family. In turn, the money I spend for necessities is spread through my community everywhere I take my business.

I am praying that you will renew the EITC because it is so important to me and all the other hardworking families across the State: we live life on the head of a pin, so to speak. I also hope you will support an expansion bill to move the EITC to 18 percent of the federal credit over several years. As you probably know, Oregon is in the minority of states that tax the income of workers living in poverty. Expanding the state EITC to 18 percent would mean most families would only be taxed on income above the poverty line, helping them better afford basic needs.

Thank you for your consideration of bills SB 326 and SB 507, and thank you for your hard work this legislative session.

Sincerely,

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