

## PRESS STATEMENT

**FOR IMMEDIATE RELEASE**  
**Friday, September 18, 2020**

Media Contacts:

Sumeet Bal, Communications Director, California Immigrant Policy Center,  
[sbal@caimmigrant.org](mailto:sbal@caimmigrant.org)

Unai Montes-Irueste, Communications Director, United Ways of California,  
[umontes@unitedwaysca.org](mailto:umontes@unitedwaysca.org), 213 476 8742 (Bilingual)

Cadonna Dory, Communications Director, Children's Defense Fund California,  
[cdory@childrensdefense.org](mailto:cdory@childrensdefense.org)

### **Diverse Coalition Lauds Governor Newsom's Expansion of the Earned Income and Young Child Tax Credits to Immigrant Workers**

[Sacramento, Calif.] – The California Earned Income Tax Credit Coalition, made up of over 60 anti-poverty, immigrant rights, and community-based organizations, applauds Governor Gavin Newsom's historic decision to sign AB 1876 (Arambula AD-31) into law. Both non-citizen immigrant households, as well as mixed-status families in which one tax filer has a Social Security Number while the other does not, will directly benefit from the expansion of California's anti-poverty tax credits.

Governor Newsom's elimination of the arbitrary exclusion of Californians who file their taxes with a federally-issued [Individual Tax Identification Number](#) (ITIN) from the up to \$2,982 California Earned Income Tax Credit (CalEITC) Tax Credit, and the up to \$1,000 Young Child Tax Credit (YCTC) is historic. California is only the second state in the country to take action to address this inequity.

The CalEITC, including the YCTC, is one of the most powerful, immediate, and critical tools that the state has to help lift families out of poverty. Yet for several years, those who file their taxes with an Individual Taxpayer Identification Number (ITIN) have been left out. Including ITIN filers in the CalEITC and YCTC will provide critical support to over 600,000 individuals, including over 200,000 children, and will target resources most effectively while reducing inequality, stimulating the economy, and counterbalancing recessionary impacts that hit immigrant communities and communities of color the hardest.

*"Though disproportionately impacted by the COVID-19 pandemic, families where one or more adults has an ITIN were excluded from federal CARES Act stimulus checks, and have been excluded from the federal Earned Income Tax Credit since the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996, and have, until this moment, always been excluded from the CalEITC and YCTC. As a result, 244,000 of California's kids have*

*been denied vital support for their healthy development and well-being,”* says Peter Manzo, President and CEO of United Ways of California, on behalf of the CalEITC Coalition. “By putting hard earned cash back into the hands of all low-income, tax-filing California workers – not just some – the Governor is both doing what is right for kids and families, and also what is best for our state’s immediate relief and long term recovery needs,” he adds.

"I've been living in San Francisco for many years, my wife and my daughter were born here. I've been paying my taxes, but like many hardworking immigrants we've been left out of most economic benefits. Today the Governor did the right thing for those of us who work hard and contribute to this state. Today I feel included. I feel seen." Abraham, San Francisco resident and California Reinvestment Coalition’s Here to Stay program leader.

“For nearly 18 years I've made my life in San Diego. I brought my newborn daughter here. Had my three sons here. And worked and paid my bills, and supported businesses here. I have filed my taxes faithfully with an ITIN all this time, but never got any of the tax credits meant to help people like me who work, but still struggle economically. I want to say thank you to all the immigrant Californians like me who stood up and fought for this. I want to thank the mayors, state lawmakers, and community organizations. And I want to thank the Governor for understanding that we've never asked for anything except for equal rights, opportunities, and resources for our children,” Rosalba, mother of four, San Diego resident, ITIN tax filer.

The CalEITC Coalition has worked for nearly four years on this critical campaign to establish and expand universally accessible anti-poverty tax credits because millions of California’s working residents have been unable to meet basic needs year after year. Before the COVID-19 pandemic, 37% of California households were struggling to stay afloat, and those most likely to struggle included single moms, Black and Indigenous Californians, people of color, and non-citizen immigrants. Once the pandemic took hold, the need to put money back into the pockets of those who earned it became all the more apparent and urgent.

Making it possible for ITIN tax filers to claim the CalEITC and YCTC – like any other Californian earning \$30,000 a year or less – brings us one step closer to fulfilling the promise of a California For All:

- CalEITC is a proven anti-poverty tax tool that will benefit over 600,000 low-income immigrant workers and families – two-thirds of whom support our state as essential workers during the COVID-19 crisis – who have been excluded from state and federal relief
- CalEITC and YCTC give an economic boost to working families who have been hit hardest by the economic impacts of COVID19 by paying them back for some of their contributions to our economy, including over [\\$3 billion in state taxes](#) paid every year

- ¾ of households that will benefit from including ITIN filers in the CalEITC live in households with children, many of whom are U.S. citizens. In total, over 200,000 children will benefit from the CalEITC and YCTC.
- ⅔ of those who will benefit from including ITIN filers are women
- 98% of those who will benefit from including ITIN filers are people of color
- The most common occupations of those who will benefit from including ITIN filers are farm workers, housekeeping cleaners, cooks, construction workers, janitors, and maintenance workers
- Discrimination in the federal tax system further exacerbates the economic hardships faced by non-citizen immigrant families who work and earn the same amount as families who file taxes with Social Security Numbers, but are not eligible for the Federal EITC or federal stimulus payments
- Undocumented workers are required to file and pay taxes. In California, undocumented workers contribute over 3.2 billion in state and local taxes.
- An ITIN is a number used to file taxes. People with ITINs have a variety of immigration statuses, including people who are undocumented as well as student visa holders.
- The federal EITC is a long-time refundable credit. Coupled with the state EITC (or CalEITC), it helps millions of low-income families move toward financial stability. The merits of the credit are well documented, including research that shows the EITC promotes educational success, improves child and maternal health, and boosts local economic growth now and in the future.

#### **STATEMENTS FROM CALEITC COALITION PARTNERS:**

“I want to thank my undocumented immigrant sisters and brothers across the state who bravely spoke out about the exclusion of immigrants from any kind of protection or help,” said Verónica Lagunas, a janitor from Los Angeles and a member of SEIU United Service Workers West (SEIU-USWW). “To the janitors, housekeepers, warehouse workers, garment workers, car wash workers, farm workers, day laborers, fast food workers and other restaurant workers who stood up for justice: I applaud your courage and celebrate the difference it will make in the lives of hundreds of thousands of Californians. When we fight, we win.”

“Once again, California is showing the nation how to lead by ensuring that all of its residents regardless of race, religion, or immigration status, have the opportunity to thrive,” said CIPC Executive Director Cynthia Buiza. “We applaud and thank the governor for taking this step towards creating an equitable California that looks out for everyone. While economic recovery will not happen overnight, this is one way our leadership has committed to offering vital support for immigrant families who need financial relief to survive.”

“Our current tax structure ignores our most vulnerable communities, specifically Indigenous groups who are often the backbone of our agriculture industry,” stated Shimica Gaskins, Executive Director of Children’s Defense Fund-California. “Since

2015, CDF-CA and partners have been fighting to expand the CalEITC; and after two years, immigrant filers will finally be included, ensuring over 200,000 children will benefit at a time when it has never been more critical for their families.”

“Including undocumented immigrant workers in benefitting from the California Earned Income Tax Credit not only speaks to a true California for All, but gives a real economic boost to working families who have been hit hardest by the economic impacts of COVID19. It pays them back for their contributions to our economy, which includes over [\\$3 billion in state taxes](#) to California every year. The Governor’s signing of AB1876 says you matter, you are one of us, and we are in this together, said Paulina Gonzalez-Brito, Executive Director of the [California Reinvestment Coalition](#).

"Food banks have had to double and triple the amount of food they distribute during this health, economic, and hunger crisis — they see first-hand the impact when neighbors are excluded from programs like the Earned Income Tax Credit. Full CalEITC inclusion for ITIN filers will make a significant step towards fighting hunger, and acknowledging the significant contribution all of California’s hard-working taxpayers make to our economy. California Association of Food Banks thanks the Legislature and Governor Newsom for helping to ensure essential workers have money for food and other basic needs," said Shanti Prasad, Senior Policy Advocate for the California Association of Food Banks.

"Expanding proven programs that help provide economic security to California families is critically important during this most uncertain of times. We applaud the Governor for including ITIN filers as part of CalEITC and YCTC -- this important step will support and stabilize thousands of California households." Arnold Sowell Jr. Executive Director, NextGen California

"Ending the exclusion for undocumented Californians in the CAEITC and YCTC could not be more crucial for children and families in our state. Income supports like these are fundamental to addressing the child and family poverty crisis in CA. We are grateful to the legislature, the governor and the committed coalition that has fought so effectively for this Important step forward" - Conway Collis, Co-Chair End Child Poverty CA

"Immigrant workers have been consistently left out of state and federal economic relief efforts; the CalEITC inclusion of immigrant workers is timely given the gravity of COVID-19 on the livelihoods of our immigrant families," stated Shimica Gaskins, executive director of Children's Defense Fund California. "We are excited that families who have been most impacted by the economic shock of COVID-19 will have some relief to accommodate their family households' needs."

"This will be monumental for working families in California, including mixed status families, families supporting college students, and student parents," said Mahmoud Zahriya, Young Invincibles' West Advocacy Manager. "With the Governor's signing AB-1876, we will now have a CalEITC that includes immigrant tax filers to make for a

truly inclusive California economy. These are strides that will truly make California a California for all."

"What we have been pressing for is justice for essential workers, not charity," said Fr. Arturo Corral, Pastor of Our Lady Queen of Angels Catholic Church and a leader with California IAF. "It cannot be disputed that immigrant workers are bearing the brunt of pandemic-related health risks in order to keep all our boats afloat. We could not provide food for our families without their labor. They pay billions in local and state taxes, and they contribute over 180 billion dollars to our economy. And they have been ruthlessly left out of federal relief. So Governor Newsom's decision to include these taxpayers in the Cal EITC means that our state is finally beginning to recognize our immigrant workforce and to value their labor."

"Today is a very good day in the fight for economic justice. This bill will help bring economic stability to many in our state. We thank the governor and the legislature for taking this bold action. Because of this bill, more Californians, regardless of their immigration status, will have access to the California dream." Teri Olle, California Campaign Director, Economic Security Project Action

"AB 1876 is truly an investment in a California for All Kids", said Melissa Stafford Jones, executive director of First 5 Association of California. "The Cal EITC and Young Child tax credits are critical financial supports that advance the development and wellbeing of many babies, toddlers and preschoolers across our state. With families more financially stretched and stressed than ever during COVID-19 and the recession, now is the time to invest in children and families."

## **MEMBERS OF THE CALIFORNIA EARNED INCOME TAX CREDIT COALITION:**

1. California Immigrant Policy Center
2. United Ways of California
3. Children's Defense Fund California
4. Alameda County Community Foodbank
5. ACLU California
6. Alameda County Community Food Bank
7. Asian Americans Advancing Justice
8. Asian Pacific Environmental Network
9. Bay Area Regional Health Inequities Initiative
10. California Catholic Conference
11. California Interfaith Coalition
12. California Association of Food Banks
13. CAIR California
14. California Partnership
15. Catholic Charities of the Diocese of Stockton
16. California County of Welfare Rights Organizations
17. California Employment Lawyers Association
18. California Food and Farming Network
19. California Food Policy Advocates
20. California Industrial Areas Foundation
21. California Labor Federation
22. California Nurses Association
23. California Pan-Ethnic Health Network
24. California Reinvestment Coalition
25. California Welfare Directors Association
26. California Women's Law Center
27. Childcare Law Center
28. Coalition for Humane Immigrant Rights (CHIRLA)
29. Courage California
30. Dolores Huerta Foundation
31. Drug Policy Alliance
32. End Child Poverty CA/The GRACE Institute
33. Ella Baker Center for Human Rights
34. Economic Security Project Action
35. Equal Rights Advocates
36. First 5 Association of California
37. Friends Committee on Legislation of California
38. FREE SF
39. GLIDE
40. Greenlining Institute
41. Golden State Opportunity Foundation
42. Inland Coalition for Immigrant Justice
43. John Burton Advocates for Youth
44. Jewish Public Affairs Committee of California
45. Justice in Aging

46. Latino Coalition for a Healthy California
47. Long Beach Immigrant Rights Coalition
48. Leadership Counsel for Justice and Accountability
49. Legal Aid at Work
50. Lutheran Office of Public Affairs California
51. National Association of Social Workers
52. National Council of Jewish Women - California Policy Advocacy Network
53. NextGen California
54. PICO California
55. Pomona Economic Opportunity Center
56. San Diego Immigrant Rights Coalition
57. SEIU California
58. Silicon Valley Community Foundation
59. Stronger CA Advocates Network
60. TODEC Legal Center
61. UDW AFSCME Local 3930
62. Voices for Progress
63. Western Center on Law and Poverty
64. Young Invincibles