

## The EITC: Working for Kansas

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Responsible Policy. Real Prosperity.

**The state-level Earned Income Tax Credit (EITC) is a temporary tax credit with long-lasting benefits.** In its current structure, the EITC is a valuable, common sense tax break that we can all get behind – it helps working families make ends meet, supports local communities, and boosts our state's economy. With every hard-working Kansan that can keep up with basic spending, the entire state improves more and more as a whole.



## The EITC is one of the most sensible aspects of our tax code.

This is a tax credit that helps working Kansans, including those with children, keep more of the money they earn. A few hundred dollars a year (\$393 in 2013)¹ allows them to stay current on bills, or pay for expenses, like child care, so they can get to work. The EITC can only be claimed by people who earn income through work, and it is structured in a way that encourages recipients to work more.



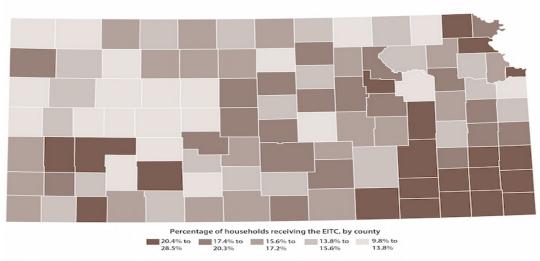
## The fact is, Kansans are working and still can't afford to cover daily expenses.

Unfortunately, job growth in Kansas is greatest in work that pays too little for families to make ends meet. Twelve of the 25 occupations adding the most jobs in Kansas pay starting wages that leave a family of three in poverty.<sup>2</sup> The EITC helps working Kansans keep up with the basic spending that our economy depends on, and gives a financial boost to low-income families and local communities.

The EITC is a small investment with big impact. Due to the ongoing budget crisis, Kansas is facing tough times and is having to make even tougher decisions about tax dollars. The EITC is one of the best investments we can make, impacting Kansans in every corner of the state.

## The Earned Income Tax Credit Works for Many Hard-Working Kansans

Many hard-working Kansans receive the Earned Income Tax Credit (EITC), encouraging people to leave welfare for work and helping low-income workers make ends meet. Almost 213,000 Kansans get the state EITC - just over 17% of those filing taxes. Each household averages a state EITC benefit of about \$393, which helps families cover unforseen expenses or make investments to improve their financial situation.



Source: Brookings Institute EITC Interactive, for tax year 2013

<sup>&</sup>lt;sup>1</sup>Brookings Institution, Earned Income Tax Credit (EITC) Interactive for Tax Year 2013.

<sup>&</sup>lt;sup>2</sup>Kansas Wage Report - Kansas Labor Information Center, 2012 and 2015.