



Legislation Summary:

(Earned Income Credit State Match) **An Act improving the earned income credit for working families**

Bill number: S.1768

Sponsor: Joanne Comerford

Summary: This bill increases the state match for the earned income credit (EIC) on federal income taxes from 23% to 50%. Most of the EIC rules are established by the federal Internal Revenue Service. Victims of domestic abuse and separated spouses are included under a married filing separately category. Non-residents are included for the fraction of income earned in Mass. The bill provides for dissemination of the program through multiple and multilingual communications.

The earned income credit is considered an extremely successful anti-poverty program because it is targeted to low-income workers, particularly those with children. EIC is administered through payroll systems and requires no additional state bureaucracy. The extra dollars in paychecks tend to go back into the local economy on a regular basis. A higher match is justified by the high cost of living in Massachusetts.

League position: LWVMA supports this bill based on its national Meeting Basic Human Needs position. From [Impact on Issues 2022-24](#): "Eligibility of all low-income individuals for assistance should be based on need. Eligibility should be established through simplified procedures such as a declaration of need, spot-checked in a manner similar to that used to checking the validity of income tax returns." (p. 146) Work should be encouraged: participants' total income should increase as earnings increase." (p. 147)