



**Testimony submitted to the Joint Committee on Revenue  
In support of S.1768 An Act improving the earned income credit for working families  
By Clarice B. Gordon, LWVMA Specialist for Meeting Basic Human Needs**

The League of Women Voters of Massachusetts supports Senate Bill 1768. This bill increases the state match for the earned income credit (EIC) on federal income taxes from 23% to 50%. Most of the rules are established by the federal Internal Revenue Service with the state providing a percentage increase to the monetary benefit to the worker. In this bill victims of domestic abuse and separated spouses are included under a married filing separately category. Non-resident workers are included for the fraction of income earned in Massachusetts. To encourage workers to sign up for the program, the bill provides for publicity through multiple and multilingual communications in workplaces and other relevant locations.

The earned income credit is considered an extremely successful anti-poverty program for many reasons. It is targeted to low income workers, particularly those with children, and every year the EIC lifts millions of families and children out of poverty. The program keeps people in the workforce so that they gain experience and skills that will help them in the future. Workers usually get the extra benefit with their weekly paychecks and those extra dollars are then spent regularly and locally, adding to the state's economy and reducing costs for other benefit programs.

A higher state match is justified by the cost of living in Massachusetts, particularly by the escalating costs recently for basic needs such as housing, food and transportation. Because the EIC is administered through payroll systems, the Commonwealth does not need a separate agency and the related bureaucracy to run the program, so the benefits go almost entirely to the recipients without an administrative reduction.

The legislature has increased the EIC match in the current budget and the League commends this positive change. Now consider passing this bill and the match to 50% to help low- income workers meet the daily costs of inflation, especially rent and food for their families.

The League of Women Voters of Massachusetts supports this bill based on its national Meeting Basic Human Needs position. We believe that 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 check the validity of income tax returns. Work should be encouraged and participants' total income should increase as earnings increase.

Members of the League across the Commonwealth of Massachusetts, in 43 local Leagues representing over 110 communities, join in urging the Joint Committee on Revenue to report this

bill favorably. We hope that you will do all you can to see that this increased match for the Earned Income Credit is enacted during this session and goes into effect as soon as possible.