

STATE TAX CODES AS POVERTY FIGHTING TOOLS

*2019 Update on Four Key Policies
in All 50 States*

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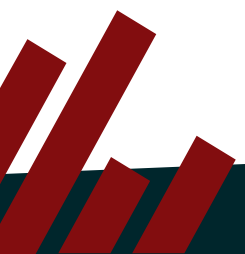
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INTRODUCTION

In 2018, 38.1 million adults and children lived in poverty in the United States according to data released this month by the U.S. Census Bureau.¹ While the official poverty rate declined for the fourth year in a row, falling from 12.3 percent to 11.8 percent in 2018, still more than one in eight people live in households with poverty-level income. The poverty rates decreased a statistically significant amount in 14 states between 2017 and 2018 and increased in one state.²

The Supplemental Poverty Measure (SPM), a more comprehensive measure based on expenditures of food, clothing, housing and utilities, also demonstrates that the tax code can be used as an effective poverty-fighting tool. The federal EITC and refundable portion of the Child Tax Credit, for example, together lifted 8.3 million people out of poverty decreasing the supplemental poverty rate from 16.5 to 13.9 percent in 2017.³ And, thanks in large part to those credits, the supplemental poverty rate for children in 2017 was actually lower than their official poverty rate (15.6 percent compared to 17.3 percent).

Astonishingly, tax policies in virtually every state make it harder for those living in poverty to make ends meet. When all the taxes imposed by state and local governments are taken into account, every state imposes higher effective tax rates on poor families than on the richest taxpayers.

Despite this unlevel playing field states create for their poorest residents through existing policies, many state policymakers have proposed (and in some cases enacted) tax increases on the poor under the guise of “tax reform,” often to finance tax cuts for their wealthiest residents and profitable corporations.

State and local tax systems typically make things harder for families living in poverty. A 2018 ITEP report, ***Who Pays? A Distributional Analysis of the Tax Systems in All 50 States***, found that the poorest 20 percent of Americans paid on average 11.4 percent of their incomes in state and local taxes. Middle-income taxpayers didn’t fare much better, paying an average of 9.9 percent of their incomes toward those taxes. But when it comes to the wealthiest 1 percent, ITEP found they paid an average of just 7.4 percent of their incomes in state and local taxes.

FIGURE 1

2019 State Developments in Poverty Reducing Tax Policy

CALIFORNIA lawmakers more than doubled the state’s EITC with three key expansions: eligible families with at least one child under age six will receive an additional \$1,000 credit, the amount of the base credit was increased for some beneficiaries, and the income eligibility was increased to allow full-time minimum wage workers to benefit.

ILLINOIS lawmakers increased the state’s property tax credit and created a nonrefundable \$100 per child credit in legislation contingent on voter approval in 2020 of an initiative to enact a graduated income tax.

MAINE took similarly substantive steps to strengthen its EITC for young workers and those without children in the home. Lawmakers lowered the age eligibility threshold for childless workers from 24 to 18 and increased the percentage of the credit for these workers from 5 to 25 percent (recognizing this group receives a fraction of the federal EITC compared to those with children in the home). All other eligible workers will see their credit increased from 5 to 12 percent of the federal EITC. Maine lawmakers also expanded the states Property Tax Fairness Credit to benefit more Maine families and to provide larger refunds to many of those who are eligible.

MARYLAND expanded the state’s Child and Dependent Care Expenses Credit to more families, increasing the income cap from \$50,000 to \$143,000. The expansion will send \$11 to 12 million per year to these families and will vary from about \$350 to \$800 per family.

MINNESOTA enacted a \$30 million expansion of their refundable Working Family Credit. Much of the benefit will go to families with three or more children, as well as workers without children in the home (in the form of both a larger credit and a higher income ceiling), although families with one or two children will also see increases.

NEW MEXICO lawmakers increased the state’s refundable Working Families Tax Credit from 10 to 17 percent of the federal credit.

OHIO increased its nonrefundable Earned Income Tax Credit from 10 to 30 percent of the federal credit and removed the cap for taxpayers with incomes above \$20,000.

OREGON increased its refundable EITC from 11 to 12 percent for families with a child under age 3 in the home and from 8 to 9 percent for all other eligible workers.

Nearly every state and local tax system takes a much greater share of income from middle- and low-income families than from the wealthy. This “soak the poor” strategy from a budgeting perspective does not yield much revenue compared to modest taxes on the rich. It also pushes low-income families further into poverty and increases the likelihood that they will need to rely on safety net programs.

There is a better approach. Just as state and local tax policies can push individuals and families further into poverty, there are tax policy tools available that can help them move out of poverty. In most states, a true remedy to improve state tax fairness would require comprehensive tax reform. Short of this, lawmakers should use their states’ tax systems as a means of providing affordable, effective and targeted assistance to people living in or close to poverty in their states. Through the use of tax policy tools, state lawmakers can take steps to improve the standard of living for low-income residents. Similar to the way in which the Supplemental Nutrition Assistance Program (SNAP) helps families put food on the table, thoughtful changes to state tax codes can help struggling families pay for necessities.

This report presents a comprehensive overview of anti-poverty tax policies, surveys tax policy decisions made in the states in 2019 and offers recommendations that every state should consider to help families rise out of poverty. States can jump start their anti-poverty efforts by enacting one or more of four proven and effective tax strategies to reduce the share of taxes paid by low- and moderate-income families: state Earned Income Tax Credits, property tax circuit breakers, targeted low-income credits, and child-related tax credits.

 **RELATED REPORT >>** *Who Pays? A Distributional Analysis of the Tax Systems in All 50 States*

STATE TAX STRATEGIES FOR REDUCING POVERTY

Refundable Earned Income Tax Credits

The federal Earned Income Tax Credit (EITC) is widely recognized as an effective anti-poverty strategy. It was introduced in 1975 to provide targeted tax reductions to low-income workers and also to reward work and increase incomes.

The federal EITC is administered through the personal income tax. With the goal of encouraging greater participation in the workforce, the EITC is based on earned income, such as salaries and wages. For example, for each dollar earned up to \$14,570 in 2019, families with three or more children will receive a tax credit equal to 45 percent of those earnings, up to a maximum credit of \$6,557. Because the credit is designed to boost incomes for low- and moderate-income workers, there are income limits that restrict eligibility for the credit. Families continue to be eligible for the maximum credit until income reaches \$19,030 for single heads of household. Above this income level, the value of the credit is gradually reduced to zero and is unavailable when family income exceeds the maximum eligibility level. The credit is entirely unavailable to families with three or more children earning more than \$50,162 for single parents and \$55,952 if married. For taxpayers without children, the credit is much less generous: the maximum credit is \$529 and single filers earning more than \$15,570 (or \$21,370 for married couples without children) are ineligible.

To date, nearly two-thirds of the states (29 states and the District of Columbia—see Appendix A) offer state Earned Income Tax Credits based on the federal EITC. All of the states except Minnesota allow taxpayers to calculate their EITC as a percentage of the federal credit (Minnesota's credit is structured as a percentage of income rather than a percent of federal credit). This approach makes the credit easy for state taxpayers to claim (since they have already calculated the amount of their federal credit) and straightforward for state tax administrators. However, states vary dramatically in the generosity of their credits. The EITC provided by the District of Columbia, for example, amounts to 40 percent of the federal credit (100 percent for workers without dependents in the home), while five states have credits that are worth less than 10 percent of the federal credit. Six states (Delaware, Hawaii, Ohio, Oklahoma, South Carolina and Virginia) allow only a non-refundable credit, limiting the ability of the credit to offset regressive state and local taxes.

In 2013, North Carolina became the first state to allow their EITC to expire. 2015, on the other hand, marked the beginning of a continued four-year trend of states and the federal government embracing new EITCs and improvements to existing credits. The federal government made EITC expansion provisions under the American Recovery and Reinvestment Act (ARRA) permanent for families with three or more qualifying children. California enacted a new refundable EITC targeted to families living in deep poverty. Massachusetts, New Jersey, and Rhode Island lawmakers boosted the value of their state credits and Maine lawmakers converted the state's non-refundable EITC to a fully refundable credit. 2017 saw the addition of EITCs in Hawaii, Montana and South Carolina. Louisiana, Massachusetts, New Jersey and Vermont all increased the size of their EITCs in 2018. And in 2019, California, Maine, Minnesota, New Mexico, Ohio, and Oregon all enacted expansions to their credits.

Refundability is Key

Refundability is especially important in ensuring that deserving families get the full benefit of the state EITC. Refundable credits do not depend on the amount of income taxes paid: if the credit amount exceeds your income tax liability, the excess amount is given as a refund. Thus, refundable credits are useful in offsetting the regressive nature of sales and property taxes and can provide a much needed income boost to help families pay for basic necessities. In 2017, all but four states (Delaware, Ohio, Oklahoma, and Virginia) with EITCs offer a fully refundable credit, meaning that low-income families earning too little to owe state income taxes are ineligible for the credit. Delaware legislators passed a bill that would change the state's nonrefundable 20 percent credit to a refundable 5.9 percent credit. The shift will benefit the state's lowest income workers and their families, those who earn too little to owe state income taxes, but to date it has not been signed by the governor.

THE IMPORTANCE OF REFUNDABILITY

The hallmark of a truly effective low-income credit is that it is refundable. This means that if the amount of the credit exceeds the amount of personal income tax you would otherwise owe, you actually get money back. Refundability is a vital feature in low-income credits because for most fixed-income families, sales and property taxes take a much bigger bite out of their wallets than the personal income tax does. Refundable credits on income tax forms are the most cost-effective mechanism for partially offsetting the effects of regressive consumption taxes on low-income families. The recent trend to make credits nonrefundable as a measure of budgetary savings is misguided and ill-advised.

Expanding Benefits for Workers Without Children

State EITCs generate bipartisan support because they are easily administered and relatively inexpensive. However, EITCs are most generous to families with children. Policymakers should be aware that because the EITC was designed to specifically help families with children it does little to benefit seniors and low-income individuals without children. There are other tax provisions offered by states, like enhanced personal exemptions or standard deductions, that are available to elderly taxpayers. But for millions of low-income workers without dependents in the home, federal and state taxes force them into or deeper into poverty.⁴ This subset of the population includes: working parents who do not live under the same roof as their kids, but want to provide for them; veterans and members of the military; and young workers just starting out whose low wages barely cover the cost of food and rent. The EITC itself can be modified to reach these otherwise excluded groups.

Policymakers in Washington, DC, for example, enhanced the District's EITC for workers without children in 2014, increasing eligibility thresholds and expanding the credit to 100 percent of federal. In 2018, California eliminated the age requirement for its EITC for workers without dependents in the home. This action expanded the EITC to young workers between 18 and 24, and workers over 65. California also adjusted its state-level EITC income limits to reflect the state's minimum wage increase to ensure that those

working full-time for minimum wage are eligible to receive the credit. Maryland and Minnesota legislators also removed the state EITC's minimum age requirement by using some of the revenue gained from the federal tax cut. In 2019, Maine lawmakers lowered the minimum age to 18 and increased the share of the federal credit workers without dependents in the home receive to 25 percent of the federal.

Recommendation: To help alleviate poverty, lawmakers and advocates in states with EITCs should consider increasing the percentage of the existing credit, making the credits fully refundable, and improving the benefits for workers without children. Those in states without a credit should consider introducing a generous and refundable EITC tied to the federal credit.

For more information, see ITEP brief, "Rewarding Work Through State Earned Income Tax Credits in 2019."

PROPERTY TAX CIRCUIT BREAKER FOR HOMEOWNERS & RENTERS

States employ a wide variety of mechanisms to reduce the amount of property taxes that low- and moderate-income families pay, though they vary significantly in effectiveness. A property tax circuit breaker is the only property tax reduction program explicitly designed to reduce the property tax burden on those low-income taxpayers hit hardest by the tax. Its name reflects its design: circuit breakers protect low-income residents from a property tax "overload", just like electric circuit breakers prevent electricity surges in our homes. When a property tax bill exceeds a certain percentage of a taxpayer's income, the circuit breaker offsets property taxes in excess of this "overload" level.

Eighteen states and DC offer property tax circuit breaker programs in 2019 that target tax reductions to low-income families who also owe significant property taxes relative to their incomes. Another 13 states provide property tax credits to some low-income families through credits based on income. By cutting off eligibility based on income, these credits do not include a provision requiring property taxes to exceed a set percentage of income to qualify for the credit (see Appendix B).

The most effective and targeted property tax credits are circuit breaker programs made available to all low-income taxpayers, regardless of age, that are also extended to renters. Because it is generally understood that renters pay property taxes indirectly in the form of higher rents, many states now extend their circuit breaker credit to renters as well. The calculation is typically the same as the one used for homeowners, with the exception that renters must assume that their property tax bill is equal to some percentage of their rent. Renters in Maryland for instance, use 15 percent of their rent as their assumed property tax in calculating their circuit breaker credit. For a circuit breaker program to be successful, an effective outreach campaign is necessary.

Recommendation: State lawmakers and advocates interested in reducing the property taxes paid by low-income homeowners and renters should consider introducing a robust circuit breaker program. States with circuit breaker programs only available to older adults or homeowners should consider expanding the program to low-income homeowners and renters of all ages.

For more information, see ITEP brief [**Property Tax Circuit Breakers in 2019.**](#)

TARGETED LOW-INCOME TAX CREDITS

Because the Earned Income Tax Credit is targeted to low-income working families with children, it typically offers little or no benefits to older adults and workers without children. Thus, refundable low-income credits are a good complementary policy to state EITCs (see Appendix C).

Eleven states offer targeted income tax credits to reduce (or zero out) low-income families' personal income tax contributions. For example, Ohio offers a nonrefundable credit that ensures that families with incomes less than \$10,000 aren't subject to the income tax. Kentucky offers a nonrefundable credit based on family size to ensure that families at or below the poverty level aren't subject to state income taxes. Making these targeted low-income credits refundable would increase their effectiveness for low-income families.

Seven states offer an income tax credit to help offset the sales and excise taxes that low-income families pay. Some of the credits are specifically intended to offset the impact of sales taxes on groceries. These credits are normally a flat dollar amount for each family member, and are available only to taxpayers with income below a certain threshold. They are usually administered on state income tax forms, and are refundable—meaning that the full credit is given even if it exceeds the amount of income tax a claimant owes.

Refundability is crucial because it allows low-income credits to be used by taxpayers who have little or no income tax liability but pay a substantial amount of their income in sales taxes. For example, Idaho offers a refundable credit for each Idahoan and their dependents to offset grocery taxes even if taxpayers are not subject to the income tax. Kansas lawmakers eliminated their state's refundable grocery tax credit in 2012 but enacted a new, less-effective nonrefundable credit in 2013.

Recommendation: State lawmakers and advocates committed to making sure taxes don't push families further into poverty should create refundable, targeted low-income credits especially to help offset regressive sales and excise taxes. In states where these credits already exist, lawmakers should act to enhance them, such as by making them refundable.

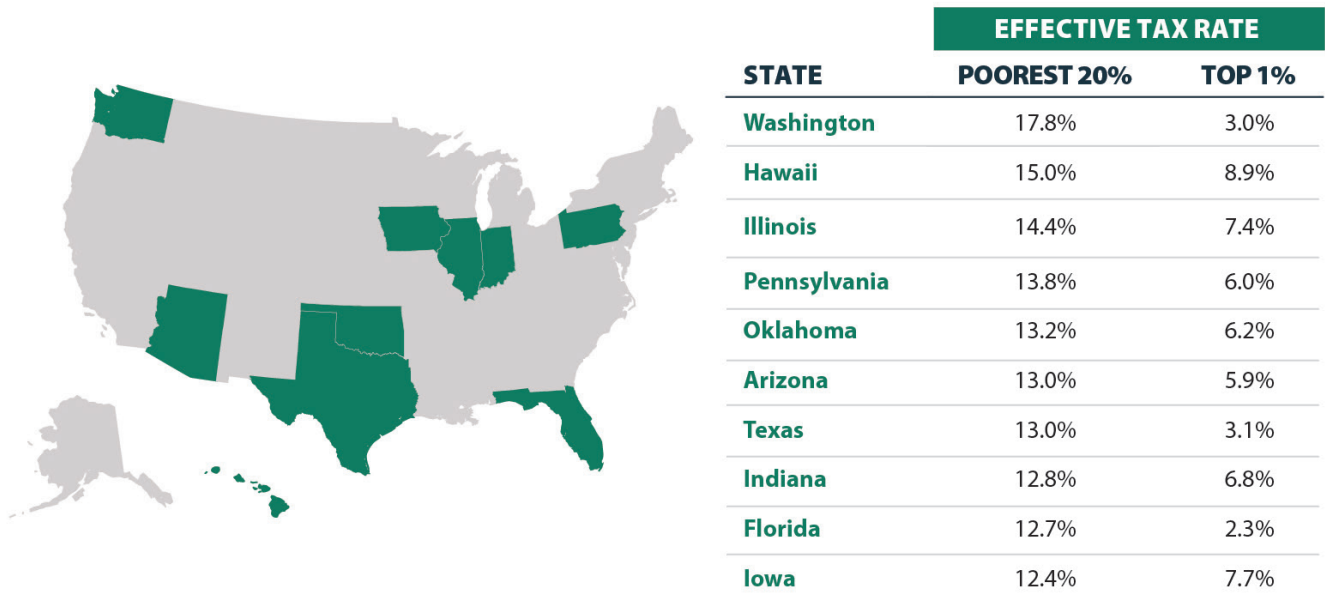
For more information, see ITEP brief [Options for a Less Regressive Sales Tax in 2019](#).

FIGURE 3

STATES WITH GREATEST NEED FOR IMPROVEMENT

Every state could stand to improve its tax policies toward low- and moderate-income families. However, some states have a need to consider the reforms outlined in this report. The map to the right shows the 10 states with the highest state and local taxes on the poor as a share of income according to ITEP's 2018 *Who Pays?* report. Washington State, which does not have an income tax, is the highest-tax state in the country for poor people. In fact, when all state and local sales, excise, and property taxes are tallied up, Washington's poor families pay 17.8 percent of their total income in state and local taxes. Compare that to neighboring Idaho and Oregon, where the poor pay 10.1 percent and 9.2 percent, respectively, of their incomes in state and local taxes—far less than in Washington. Hawaii, which relies heavily on consumption taxes, ranks second in its taxes on the poor, at 15 percent. Illinois—a state with a flat income tax rate—taxes its poor families at a rate of 14.4 percent, ranking third in this dubious distinction.

THE 10 STATES WITH THE HIGHEST TAXES ON LOW-INCOME HOUSEHOLDS



CHILD-RELATED TAX CREDITS

Child Tax Credits

The current federal Child Tax Credit, which provides up to \$2,000 per child, is designed to provide an income boost to parents or guardians of children and other dependents. However, many low-income families do not receive the full benefit of the federal credit due to an earnings requirement and lack of full refundability for families with low incomes. Children with parents or guardians who have less than \$2,500 in earnings are ineligible for the federal CTC. Families above this earnings requirement receive a federal CTC worth 15 percent of each dollar of earnings over \$2,500 until reaching a maximum credit of \$2,000 per child. The CTC is also only partially refundable, so families can only receive \$1,400 per child as a refundable credit.

Existing state-level CTCs are limited in breadth and scope. Only two states, Oklahoma and New York, have credits directly tied to the federal Child Tax Credit. Oklahoma offers a choice between a nonrefundable credit worth 5 percent of the federal credit or a nonrefundable credit worth 20 percent of the federal Child and Dependent Care Tax Credit. The state limits the credit to taxpayers with incomes under \$100,000. But like the federal CTC, the credit remains limited in its reach to families in or on the verge of poverty. New York has a refundable credit worth \$100 per qualifying child or 33 percent of the taxpayer's allowable federal credit, whichever is greater. Lawmakers in New York opted to decouple their state credit (the Empire State child credit from changes to the federal CTC, so they continue to maintain a maximum credit of \$330 (the pre-TCJA maximum) and other pre-TCJA tax parameters. Colorado approved a refundable, income-limited credit for children under 6 tied to the federal CTC, but the credit remains in limbo having not received funding from the state legislature

A handful of other states have Child Tax Credits that are best thought of as state CTCs in name only. Idaho and Maine recently added nonrefundable dependent credits to replace previously existing personal exemptions. Similarly, California offers personal credits in the place of exemptions. These states have a refundable, income-limited dependent credit that is higher than the state's personal credit for filers. The majority of states offer a dependent exemption usually at the same amount as the filer exemption. In 2018, Utah began to provide a limited CTC to account for some of the changes under TCJA while Wisconsin provided a one-time \$100 child tax rebate. Illinois lawmakers approved a new \$100 per child nonrefundable tax credit contingent in the approval of a 2020 ballot initiative to allow for a graduated income tax.

A state-level CTC is a tool that states can employ to remedy inequalities created by the current structure of the federal CTC while significantly reducing child poverty and deep poverty in all states.

Child and Dependent Care Credits

The average cost of full-time child care can range from \$3,000 to \$17,000 per year depending on the age of the child and location of the family. Low- and middle-income working parents spend an increasingly significant portion of their income on child care. Families in poverty contribute over 30 percent of their income to child care compared to about 6 percent for families at or above 200 percent of poverty.¹ Most families with children need one or more incomes to make ends meet which means child care expenses are an increasingly unavoidable and unaffordable expense.

The federal government allows a nonrefundable income tax credit to help offset child care expenses. In 2017, single working parents (and two-earner married couples) with children 12 years of age or younger can claim a credit to partially offset up to \$6,000 of child care expenses; low-income taxpayers can receive a credit of up to 35 percent of these expenses. The credit percentage gradually falls for higher-income taxpayers. This “sliding scale” approach helps to target tax relief somewhat more effectively to low-income taxpayers, but making the credit refundable would help those parents and children most in need.

Nearly half of the states offer some form of state income tax break for families with dependent care expenses. Of those, the majority (23 states including the District of Columbia—see Appendix D) model their state credit after the federal credit. For example, Georgia allows taxpayers to take 30 percent of their federal child and dependent care credit as a nonrefundable child care credit. Nebraska takes a slightly different approach, offering both a refundable and a nonrefundable credit depending on a family's income. The refundable child care credit is calculated as 100 percent of the federal credit for low-income filers with incomes under \$22,000. Higher earners can claim a nonrefundable credit, equal to 25 percent of the federal credit once income levels reach \$29,000. This approach targets the benefits of the Nebraska credit much more efficiently to low- and middle-income parents than does the federal credit.

Recommendation: State lawmakers and advocates who want to help low-income families with children should consider increasing the value of existing child credits, making them refundable, or introducing a new refundable per child credit. Lawmakers and advocates interested in targeting child and dependent care credits to help families most in need would do well to make their credits refundable and make the credit available only to families with limited incomes.

For more information, see [**Reducing the Cost of Child Care Through State Tax Codes in 2019**](#) and [**The Case for Extending State-Level Child Tax Credits to Those Left Out: A 50-State Analysis.**](#)

IMPLEMENTATION: A VITAL STEP

The tax policies described in this report are key to helping lift families out of poverty, but simply offering these credits is not sufficient. In order to ensure that as many eligible families benefit from these anti-poverty policies as possible, lawmakers should consider how to make the credits more accessible.

A simple design, such as linking a credit to an already established credit (as is the case with state EITCs) is a good place to start. Allowing taxpayers to claim credits on their personal income tax forms (as opposed to filling out a separate form or application at a different time of the year) also increases the likelihood that eligible taxpayers will take advantage of the credits.

Furthermore, policymakers, advocacy groups, and the media must work together to ensure that an effective outreach effort is established and adequately funded so that taxpayers are informed about these credits. Outreach programs should be frequently evaluated to improve the effective reach of the tax credits offered.

SUMMARY OF RECOMMENDATIONS

- State lawmakers and advocates in states with EITCs should consider increasing the percentage of the existing credit, making the credits fully refundable, and improving the benefit for workers without children in the home. Those in states without a credit should consider introducing a generous and refundable EITC tied to the federal credit.
- State lawmakers and advocates interested in reducing the property taxes paid by low-income homeowners and renters should consider introducing a robust circuit breaker program. States with circuit breaker programs only available to older adults or homeowners should consider expanding the program to low-income homeowners and renters of all ages.
- State lawmakers and advocates committed to making sure taxes don't push families further into poverty should create refundable, targeted low-income credits to help offset regressive sales and excise taxes. In states where these credits already exist, lawmakers should act to enhance them, such as by making them refundable.
- State lawmakers and advocates who want to help low-income families with children should consider increasing the value of existing child credits, making them refundable, or introducing a new refundable per-child credit. Lawmakers and advocates interested in targeting child and dependent care credits to help families most in need would do well to make their credits refundable and available only to families with limited incomes.

CONCLUSION

Many U.S. families continue to live in poverty, struggling to afford the high cost of housing, health care, child care and other basic necessities, and many state tax systems across the country do too little to offer the assistance low-income families need. In fact, regressive state tax structures can push working families and individuals even deeper into poverty. State lawmakers have a responsibility to ensure that their state's tax code does not exacerbate this crisis and should consider using the low-income tax credits outlined in this paper as means of mitigating poverty in their states. Refundable tax credits are effective, time-tested anti-poverty solutions that provide additional income to help families pay for food, housing, transportation, and other necessities. The reforms discussed in this paper are among the most cost-effective anti-poverty strategies available to state lawmakers.

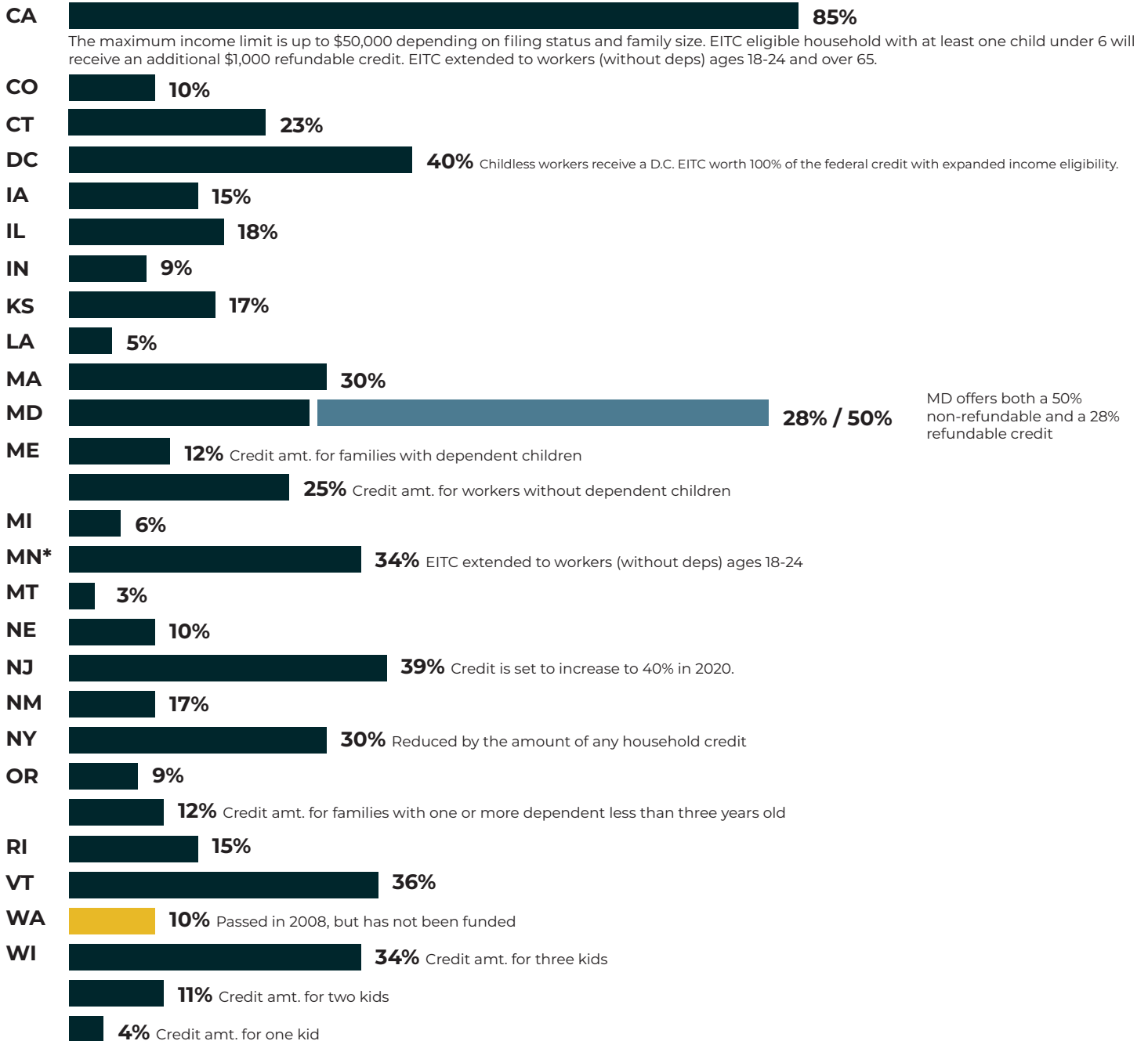
ENDNOTES

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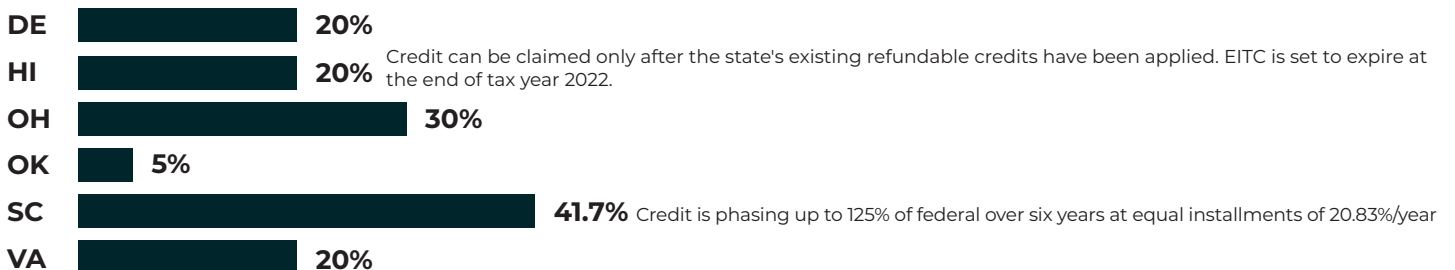
APPENDIX A

State Earned Income Tax Credits in 2019

REFUNDABLE CREDITS Refundable credits are one of the most effective and targeted tax reduction strategies. Taxpayers receive a refund for the portion of the credit that exceeds their income tax bill, offsetting some of the regressive effects of state and local sales, excise, and property taxes.



NON-REFUNDABLE CREDITS Non-refundable credits limit the usefulness of the EITC to low-income families. Taxpayers earning too little to owe state income tax will receive no benefit from the credit, despite the upside-down nature of state and local tax systems.



Note: Washington's credit was passed in 2008, but has not yet been funded. Indiana's credit is not tied to the federal expansions made permanent in 2015; Minnesota and Ohio's credits are dependent on additional income criteria; Wisconsin's credit is dependent on family size.

*MN's credit for families with children is structured as a percentage of income rather than a percentage of the federal credit. It does not include the federal EITC's features of a larger credit for families with three or more children or a higher income phase-out for married couples. The average given here reflects total projected state spending for the Working Family Credit divided by projected federal spending on the EITC in Minnesota as modeled by Minnesota's House Research Department; this average fluctuates from year to year.

APPENDIX B

State Targeted Property Tax Credit Programs in 2019

State	Age Requirements	Covers Renters?	Approach
AZ	65+, Receiving SSI Income	YES	Income based only
CA	62+	Renters only	Income based only
CO	65+, Surviving Spouse 58+, Disabled	YES	Income based only
CT	65+, Surviving Spouse 50+, Disabled	NO	Income based only
DC	All Ages; Separate Program for Elderly and Disabled	YES	Circuit Breaker
HI	All Ages	Renters only	Income based only
IA	65+, Disabled	YES	Income based only
ID	65+, Surviving Spouse, Disabled, Former POW, Disabled Veteran,	NO	Income based only
KS	55+, Disabled, Guardian of dependent child under 18	NO	Income based only
MA	65+	YES	Circuit Breaker
ME	All Ages; Sep. Elderly Program	YES	Circuit Breaker
MD	All Ages	YES	Circuit Breaker
MI	All Ages; Sep. Elderly Program	YES	Circuit Breaker
MN	All Ages	YES	Circuit Breaker
MT	All Ages	YES, 62+ only	Circuit Breaker
MO	65+, Disabled	YES	Circuit Breaker
NH	All Ages	NO	Income based only
NJ	All Ages	YES	Circuit Breaker
NM	65+	YES	Circuit Breaker
NY	All Ages	YES	Income based only
ND	65+, Disabled	YES	Circuit Breaker for
OK	65+, Disabled	NO	Circuit Breaker
OR	58+	Renters only	Circuit Breaker
PA	65+, Surviving Spouse 50+, Disabled	YES	Income based only
RI	65+, Disabled	YES	Circuit Breaker
SD	65+, Disabled	NO	Income based only
UT	65+	YES	Circuit Breaker
VT	All Ages	YES	Circuit Breaker
WI	All Ages	YES	Circuit Breaker
WV	All Ages	NO	Circuit Breaker
WY	All Ages; Sep Elderly Program	NO	Income based only

APPENDIX C

State Low-Income Tax Credits in 2019

Credits Designed to Reduce Personal Income Taxes

State	Description of Credit
AZ	Nonrefundable "Family Tax Credit" available to low-income taxpayers; eligibility varies with family size and structure
GA	Nonrefundable "Low Income Credit" available if FAGI is less than \$20,000
IN	Refundable "Unified Tax Credit for the Elderly" available if FAGI is less than \$10,000 and one or more household members are age 65 or older
KY	Nonrefundable "Family Size Credit" based on family size and "modified" gross income
MD	Nonrefundable "State Poverty Level Credit" equal to 5% of earned income is available to low-income taxpayers; eligibility varies with family size and structure
NY	Nonrefundable "Household Credit" available if FAGI is less than \$28,000 for single filers and \$32,000 for others
OH	Nonrefundable credit to ensure that families with Ohio AGI under \$10,000 don't pay any income tax
PA	Nonrefundable Tax Forgiveness credit that allows eligible taxpayers to reduce all or part of their state income tax liability
VA	Nonrefundable "Tax Credit for Low-Income Individuals" that can be taken in lieu of the EITC; eligibility varies with family size and structure
WI	Nonrefundable "working families tax credit" is available if Wisconsin income is less than \$19,000 for married filers (\$10,000 for other filers)
WV	Nonrefundable "Family Tax Credit" available to low-income taxpayers; eligibility varies with family size and structure

Credits Designed to Offset Sales Tax/Taxes on Food

State	Description of Credit
AZ	Refundable "Increased Excise Tax Credit" for low-income taxpayers of all ages
HI	"Refundable Food/Excise Tax Credit" for taxpayers with FAGI below \$50,000, \$30,000 for single filers
ID	Refundable "Grocery Credit" to all families regardless of income. The credit is \$100 per family member. Elderly taxpayers receive an extra \$10 per filer
KS	Targeted, nonrefundable food sales tax credit to families with income below \$30,615 with at least one dependent or who are over 55 years of age; the maximum credit is \$125 per exemption
ME	Targeted, refundable Sales Tax Fairness Credit to low- and middle-income families dependent on family size and income; the maximum credit is \$225
NM	Refundable "Low Income Comprehensive Tax Rebate" for all low-income taxpayers
OK	Refundable "Credit/Refund of Sales Tax" for low-income taxpayers of all ages

APPENDIX D

State Dependent Care Credits and State Child Credits in 2019

State	Description of Credit
AR	Nonrefundable 20% of federal credit; Refundable 20% of federal credit for children under 6
CA	Capped nonrefundable credit; percent of credit varies on FAGI; limited to taxpayers with income under \$100K
CO	Capped refundable credit; percent of credit varies on FAGI; limited to taxpayers with income under \$150K
DC	Capped nonrefundable 32% of federal credit
DE	Nonrefundable 50% of federal credit
GA	Capped nonrefundable 30% of federal credit
HI	Capped refundable credit; percent of credit varies on state AGI
IA	Capped refundable credit; percent of credit varies on state net income; limited to taxpayers with income under \$45K
KY	Capped nonrefundable 20% of federal credit
LA	Refundable credit for taxpayers with incomes below \$25K; nonrefundable credit for all other taxpayers; percent of credit varies on FAGI
MD	Nonrefundable credit; percent of credit varies on FAGI
ME	Refundable 25% of federal credit up to \$500; nonrefundable 25% of federal credit over \$500; percentage varies on service provider
MN	Capped refundable credit; limited to taxpayers with income under \$39,400
NE	Refundable for taxpayers with income under \$29K; nonrefundable for taxpayers with income over \$29K; percentage of credit varies on FAGI
NJ	Capped nonrefundable credit; limited to taxpayers with income under \$60K
NM	Capped refundable 40% of federal credit; limited to taxpayers with income under \$31,160
NY	Refundable credit; percent varies on state AGI
OH	Capped nonrefundable credit; percent of credit varies on state AGI; limited to taxpayers with income under \$40K
OK	Offers choice of greater between nonrefundable 5% of federal child tax credit and nonrefundable 20% of federal CDCTC
OR	Capped refundable credit; percent of credit varies on greater between state AGI and FAGI, age and disability of dependents; limited to taxpayers with income below 300% of federal poverty
RI	Nonrefundable 25% of federal credit
SC	Refundable 7% of federal credit
VT	Refundable 50% of federal credit for filers with incomes below \$30K if single \$40K if married; nonrefundable 24% of federal credit for all other filers

Notes: ID, MA, MT and VA offer deductions for child and dependent care expenses

State Child Credits

State	Description of Credit
CA	Refundable income-limited Dependent Exemption Credit (\$353/dependent) higher than state's Personal Exemption Credit (\$114/filer)
CO	Refundable credit for children under age 6; limited to FAGI under \$60,000; credit ranges from 5 to 30% of federal credit based in FAGI Note: Colorado's credit passed in 2013, but the legislation tied funding to federal and state online sales tax legislation. The US Supreme Court ruled in favor of marketplace fairness in 2018, but the Colorado legislature has, to date, not funded the credit.
ID	Nonrefundable \$205 credit
OK	Offers choice of greater between nonrefundable 5% of federal child tax credit and nonrefundable 20% of federal CDCTC
NY	Refundable credit of the greater of \$100 per qualifying child or 33% of the taxpayer's allowed federal credit
NC	Nonrefundable income-limited \$100 per child tax credit (\$125 for filers with income under \$40,000)
WI	One time \$100 child tax rebate in 2018

APPENDIX E

Alabama

2018 Poverty Rate = 16.8%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,100	\$41,900	\$955,600
Taxes as a Share of Income	9.9%	9.0%	5.0%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Alaska

2018 Poverty Rate = 10.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$15,400	\$53,000	\$1,103,400
Taxes as a Share of Income	7.0%	4.3%	2.5%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Arizona

2018 Poverty Rate = 14.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,900	\$43,200	\$1,124,700
Taxes as a Share of Income	13.0%	9.4%	5.9%

Anti-Poverty Tax Policies Offered

- > Low-Income property tax credit (For Homeowners and Renters, 65+ or Disabled)
- > Low-income, nonrefundable "Family Tax Credit" (all ages)
- > Low-income refundable "Excise Tax Credit" (all ages)

Anti-Poverty Tax Policies to Consider

- > Make true circuit breaker credit and expand to include Homeowners and Renters of All Ages; Raise Maximum Benefits
- > Enhance Low-Income Credits
- > Introduce a Refundable Earned Income Tax Credit
- > Create a Child-related Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Arkansas

2018 Poverty Rate = 17.2%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,200	\$38,700	\$1,129,400
Taxes as a Share of Income	11.3%	10.8%	6.9%

Anti-Poverty Tax Policies Offered

- > Child and Dependent Care Credit offered modeled after the federal credit; Refundable for children under age 6
- > Offers low income alternative tax table

Anti-Poverty Tax Policies to Consider

- > Make Child and Dependent Care Credit Fully Refundable; Increase maximum benefits
- > Create a Refundable Low-Income Credit
- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

California

2018 Poverty Rate = 12.8%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$14,300	\$49,200	\$2,158,300
Taxes as a Share of Income	10.5%	8.3%	12.4%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 85% of the federal credit targeted to working families and individuals with very low earnings; additional \$1,000 credit for EITC eligible households with a child under 6
- > Low-income renters credit (62+)
- > Refundable income-limited Dependent Exemption Credit higher than state's Personal Exemption Credit
- > Nonrefundable income limited Child and Dependent Care Credit modeled after the federal credit

Anti-Poverty Tax Policies to Consider

- > Make true circuit breaker credit and expand to include homeowners and renters of all ages; increase maximum credit
- > Create a refundable low-income credit
- > Make Child and Dependent Care Credit fully refundable

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,800	\$53,300	\$1,503,300
Taxes as a Share of Income	8.7%	8.9%	6.5%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 10%
- > Low-Income Quasi-Circuit Breaker (For Homeowners and Renters, 65+ or Disabled)
- > Refundable income-limited Child and Dependent Care Credit offered modeled after the federal credit
- > Refundable income-limited Child Tax Credit for children under age 6 offered modeled after the federal credit (Unfunded)

Anti-Poverty Tax Policies to Consider

- > Fully Fund the Earned Income Credit
- > Make true circuit breaker credit and expand to include homeowners and renters of all ages; increase maximum credit
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,600	\$60,700	\$3,146,700
Taxes as a Share of Income	11.5%	12.2%	8.1%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 23% of federal credit
- > Low-Income Quasi-circuit Breaker (For Homeowners and Renters, 65+ or Disabled)

Anti-Poverty Tax Policies to Consider

- > Restore state Earned Income Tax Credit to at least 30% of the federal credit
- > Make true circuit breaker credit and expand to include homeowners and renters of all ages
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,900	\$46,900	\$1,028,700
Taxes as a Share of Income	6.3%	9.8%	9.5%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 20% of federal credit
- > Nonrefundable Child and Dependent Care Credit modeled after federal credit

Anti-Poverty Tax Policies to Consider

- > Make Earned Income Tax Credit Refundable and Increase Percentage
- > Make Child and Dependent Care Credit Refundable and Increase Maximum Benefits
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

District of Columbia

2018 Poverty Rate = 16.2%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,800	\$55,300	\$2,264,800
Taxes as a Share of Income	5.5%	5.6%	6.5%

Anti-Poverty Tax Policies Offered

> Refundable Earned Income Tax Credit at 40% of federal credit; Expanded EITC at 100% of federal credit for workers without dependents in the home; Enhanced EITC eligibility for certain non-custodial parents

> Low-Income Circuit Breaker (For Homeowners and Renters, All Ages)

> Non-refundable Child and Dependent Care Credit at 32% of the federal credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Anti-Poverty Tax Policies to Consider

> Increase Earned Income Tax Credit

> Enhance Circuit Breaker Program

> Make Child and Dependent Care Credit Refundable and Increase maximum benefits

> Create a Refundable Low-Income Credit

Florida

2018 Poverty Rate = 13.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,500	\$38,800	\$2,340,500
Taxes as a Share of Income	12.7%	8.1%	2.3%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

> Introduce a Refundable Earned Income Tax Credit

> Create a Low-Income Property Tax Circuit Breaker

> Create a Child-related Credit

> Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Georgia

2018 Poverty Rate = 14.3%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,700	\$41,200	\$1,161,100
Taxes as a Share of Income	10.7%	9.8%	7.0%

Anti-Poverty Tax Policies Offered

> Nonrefundable, all ages, Low-Income Credit offered

> Nonrefundable Child and Dependent Care Credit offered at 30% of the federal credit

Anti-Poverty Tax Policies to Consider

> Make Low-Income Credit Refundable and increase amount of credit

> Make Child and Dependent Care Credit Refundable and Limit to Low-Income Families

> Introduce a Refundable Earned Income Tax Credit

> Create a Low-Income Property Tax Circuit Breaker

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Hawaii

2018 Poverty Rate = 8.8%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,200	\$45,000	\$984,200
Taxes as a Share of Income	15.0%	11.6%	8.9%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 20% of the federal credit
- > Refundable income-limited credit for renters (all ages)
- > Refundable Child and Dependent Care Credit
- > Refundable low-income credit offered to assist in offsetting grocery and excise taxes (all ages)

Anti-Poverty Tax Policies to Consider

- > Make Earned Income Tax Credit refundable
- > Create a low-income circuit breaker for homeowners
- > Limit Child and Dependent Care Credit to low-income families and increase maximum credit
- > Enhance existing low-income credits

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Idaho

2018 Poverty Rate = 11.8%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,300	\$43,900	\$1,037,500
Taxes as a Share of Income	9.2%	8.1%	7.2%

Anti-Poverty Tax Policies Offered

- > Low-income quasi-circuit breaker (for homeowners 65+, surviving spouse, disabled, former POW, disabled veteran or orphaned minor)
- > Refundable non-income limited "Grocery Credit" to assist in offsetting grocery taxes (all ages)
- > Nonrefundable \$205 Child Tax Credit

Anti-Poverty Tax Policies to Consider

- > Make true circuit breaker credit and expand to include homeowners and renters of all ages
- > Limit "Grocery Credit" to low-income households and increase maximum credit
- > Make Child and Dependent Care Credit refundable and limit to low-income families
- > Introduce a refundable Earned Income Tax Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Illinois

2018 Poverty Rate = 12.1%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,400	\$51,700	\$1,704,500
Taxes as a Share of Income	14.4%	12.6%	7.4%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 18% of federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Restore and then expand Circuit Breaker Program to Homeowners and Renters of All Ages
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Indiana

2018 Poverty Rate = 13.1%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,400	\$46,700	\$1,009,500
Taxes as a Share of Income	12.8%	11.1%	6.8%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 9%; not coupled to 2015 federal expansions
- > Refundable low-income credit (65+)

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit and couple to federal improvements
- > Expand Low-Income Credit to all ages and increase maximum credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Iowa

2018 Poverty Rate = 11.2%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,000	\$50,800	\$960,000
Taxes as a Share of Income	12.4%	10.7%	7.7%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 15% of the federal credit
- > Low-income quasi-circuit breaker (for homeowners and renters, 65+ or disabled)
- > Refundable income-limited Child and Dependent Care Credit modeled after the federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Make true circuit breaker credit and expand to include homeowners and renters of all ages; increase maximum credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Kansas

2018 Poverty Rate = 12.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,000	\$50,700	\$1,289,800
Taxes as a Share of Income	11.4%	10.6%	7.4%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 17% of the federal credit
- > Low-income quasi-circuit breaker (for homeowners, disabled or guardian of dependent child under 18)
- > Low-income nonrefundable food tax credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Make true circuit breaker credit and expand to include homeowners and renters of all ages; increase maximum credit
- > Make food tax credit refundable
- > Restore Child and Dependent Care Credit and make refundable

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Kentucky

2018 Poverty Rate = 16.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,000	\$40,400	\$935,400
Taxes as a Share of Income	9.5%	11.1%	6.7%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Child and Dependent Care Credit at 20% of the federal credit
- > Nonrefundable low-income credit (all ages)

Anti-Poverty Tax Policies to Consider

- > Anti-Poverty Tax Policies to Consider
- > Make Child and Dependent Care Credit refundable and limit to low-income families
- > Make low-income credit refundable and increase maximum credit
- > Introduce a refundable Earned Income Tax Credit
- > Create a low-income property tax circuit breaker

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Louisiana

2018 Poverty Rate = 18.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,500	\$42,000	\$1,061,200
Taxes as a Share of Income	11.9%	10.0%	6.2%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 5% of the federal credit
- > Refundable Child and Dependent Care Credit for taxpayers with incomes below \$25K; nonrefundable credit for all other taxpayers; modeled after the federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Refundable Low-Income Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Maine

2018 Poverty Rate = 11.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,500	\$44,900	\$877,200
Taxes as a Share of Income	8.7%	9.6%	8.6%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 12% of the federal credit; 25% for those without dependents in the home
- > Low- and Middle- Income Circuit Breaker (For Homeowners and Renters, All Ages)
- > Refundable Child and Dependent Care Credit at 25% of the federal credit for up to \$500 of expenses; nonrefundable credit at 25% of the federal credit for expenses over \$500; percent varies based on service provider
- > Targeted, refundable sales tax credit to offset the impact of increased sales taxes on low- and middle-income residents

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Enhance circuit breaker program; increase maximum credit
- > Make Child and Dependent Care Credit fully refundable and limit to low-income families
- > Create a refundable low-income credit

Maryland

2018 Poverty Rate = 9.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,500	\$54,200	\$1,448,000
Taxes as a Share of Income	9.8%	10.6%	9.0%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 28% of the federal credit; Nonrefundable at 50% of the federal credit
- > Low- and middle-income multiple threshold circuit breaker (for homeowners and renters, all ages)
- > Nonrefundable income-limited Child and Dependent Care Credit modeled after the federal credit
- > Nonrefundable "State Poverty Level Credit" offered

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit and make fully refundable
- > Increase circuit breaker program maximum credit
- > Make Child and Dependent Care Credit refundable and increase maximum credit
- > Create a refundable low-income credit

Massachusetts

2018 Poverty Rate = 10.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,000	\$58,600	\$2,507,300
Taxes as a Share of Income	10.0%	9.3%	6.5%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 30% of federal credit
- > Low- and Middle- Income Circuit Breaker (For Homeowners and Renters, 65+)

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Expand circuit breaker program to include homeowners and renters of all ages; increase maximum credit
- > Create a child-related credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Michigan

2018 Poverty Rate = 14.1%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,000	\$43,300	\$1,245,700
Taxes as a Share of Income	10.4%	9.2%	6.2%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 6% of the federal credit
- > Low-income circuit breaker (for homeowners and renters, all ages)

Anti-Poverty Tax Policies to Consider

- > Restore Earned Income Tax Credit to 20% (pre 2012 amount)
- > Increase circuit breaker program maximum; restore to pre 2012 levels
- > Create a child-related credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Minnesota

2018 Poverty Rate = 9.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,800	\$56,400	\$1,452,500
Taxes as a Share of Income	8.7%	9.7%	10.1%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit, structured differently from the federal credit, average rate is 34% of the federal credit
- > Low- and middle-income circuit breaker (for homeowners and renters, all ages)
- > Refundable income-limited Child and Dependent Care Credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Enhance circuit breaker program and increase maximum credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Mississippi

2018 Poverty Rate = 19.7%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,200	\$34,300	\$802,200
Taxes as a Share of Income	10.2%	10.8%	6.7%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Missouri

2018 Poverty Rate = 13.2%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$10,500	\$43,500	\$1,222,900
Taxes as a Share of Income	9.9%	9.0%	6.2%

Anti-Poverty Tax Policies Offered

> Low-income circuit breaker (for homeowners and renters, 65+ or disabled)

Anti-Poverty Tax Policies to Consider

- > Expand circuit breaker to include homeowners and renters of all ages and increase maximum credit
- > Introduce a refundable Earned Income Tax Credit
- > Create a child-related credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Montana

2018 Poverty Rate = 13.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$9,700	\$42,800	\$1,126,400
Taxes as a Share of Income	7.9%	7.1%	6.5%

Anti-Poverty Tax Policies Offered

> Refundable Earned Income Tax Credit at 3% of the federal credit

> Low-income circuit breaker (for homeowners all ages and renters, 62+)

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Expand circuit breaker program to include renters of all ages and increase maximum credit
- > Create a child-related credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Nebraska

2018 Poverty Rate = 11.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,800	\$50,500	\$1,063,600
Taxes as a Share of Income	11.1%	10.8%	8.7%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 10% of the federal credit
- > Refundable income-limited Child and Dependent Care Credit for taxpayers with income under \$29K; nonrefundable for taxpayers with income over \$29K; modeled after the federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Make Child and Dependent Care Credit fully refundable and increase maximum credit
- > Restore circuit breaker program to homeowners and renters of all ages
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Nevada

2018 Poverty Rate = 12.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,700	\$42,200	\$1,698,500
Taxes as a Share of Income	10.2%	7.6%	1.9%

Anti-Poverty Tax Policies Offered

- > NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

New Hampshire

2018 Poverty Rate = 7.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$16,100	\$57,200	\$1,461,900
Taxes as a Share of Income	9.1%	8.1%	3.0%

Anti-Poverty Tax Policies Offered

- > Low-Income Circuit Breaker (For Homeowners, All Ages)

Anti-Poverty Tax Policies to Consider

- > Make true low-income circuit breaker credit, expand to include renters of all ages and increase maximum credit
- > Introduce a refundable Earned Income Tax Credit
- > Create a child-related credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

New Jersey

2018 Poverty Rate = 9.5%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$14,600	\$58,100	\$1,864,800
Taxes as a Share of Income	8.7%	10.1%	9.8%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 39% of the federal credit (up to 40% by 2020)
- > Low- and Middle- Income Circuit Breaker (For Homeowners, All Ages)
- > Nonrefundable income-limited Child and Dependent Care Tax Credit modeled after federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Expand circuit breaker to include renters of all ages
- > Make Child and Dependent Care Credit refundable
- > Create a refundable low-income credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

New Mexico

2018 Poverty Rate = 19.5%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,500	\$39,400	\$845,400
Taxes as a Share of Income	10.6%	10.2%	6.0%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 17% of the federal credit
- > Low-income multiple threshold circuit breaker (for homeowners and renters, 65+)
- > Refundable income-limited Child and Dependent Care Credit modeled after the federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Expand Circuit Breaker Program to Homeowners & Renters of All Ages; Increase maximum credit
- > Increase Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

New York

2018 Poverty Rate = 13.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,700	\$47,600	\$2,491,200
Taxes as a Share of Income	11.4%	12.4%	11.3%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 30% of the federal credit (additional 5% credit in NYC); enhanced EITC eligibility for certain non-custodial parents
- > Low-income quasi-circuit breaker (for homeowners and renters, all ages)
- > Refundable income-limited Child and Dependent Care Credit modeled after the federal credit
- > Refundable credit of the greater of \$100 per qualifying child or 33% of the taxpayer's allowed federal credit
- > Nonrefundable low-income credit (all ages)

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Make true low-income circuit breaker credit and increase maximum credit
- > Increase Child Tax Credit
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

North Carolina

2018 Poverty Rate = 14.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,200	\$40,100	\$1,085,000
Taxes as a Share of Income	9.5%	9.4%	6.4%

Anti-Poverty Tax Policies Offered

- > Nonrefundable income limited \$100 per Child Tax Credit modeled after the federal credit (\$125/child for AGI under \$40K)

Anti-Poverty Tax Policies to Consider

- > Make Child Credit Refundable
- > Reinstate and Increase Earned Income Tax Credit
- > Reinstate the Child and Dependent Care Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Refundable Low-Income Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

North Dakota

2018 Poverty Rate = 10.7%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$16,600	\$55,200	\$1,331,300
Taxes as a Share of Income	10.3%	8.5%	4.5%

Anti-Poverty Tax Policies Offered

> Low-income quasi-circuit breaker for homeowners, true circuit breaker for renters (65+ or disabled)

Anti-Poverty Tax Policies to Consider

- > Make true low-income circuit breaker for homeowners and expand to include homeowners and renters of all ages
- > Introduce a refundable Earned Income Tax Credit
- > Create a child-related credit
- > Create a refundable low-income credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Ohio

2018 Poverty Rate = 13.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,200	\$44,100	\$1,052,700
Taxes as a Share of Income	12.3%	10.7%	6.2%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 30% of the federal credit
- > Nonrefundable income-limited Child and Dependent Care Credit modeled after the federal credit
- > Nonrefundable low-income credit (all ages)

Anti-Poverty Tax Policies to Consider

- > Expand Earned Income Tax Credit and make it refundable
- > Make the Child and Dependent Care Credit Refundable and increase benefits
- > Make the Low-Income Tax Credit Refundable
- > Create a Child-related Credit
- > Create a low-income circuit breaker property tax credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Oklahoma

2018 Poverty Rate = 15.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,000	\$43,700	\$1,135,300
Taxes as a Share of Income	13.2%	10.7%	6.2%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 5%
- > Low-Income Circuit Breaker (For Homeowners, 65+ or Disabled)
- > Choice between greater of nonrefundable Child and Dependent Care Credit at 5% of the federal credit or nonrefundable Child Tax Credit at 20% of the federal credit
- > Refundable low-income credit to assist in offsetting sales taxes (all ages, but higher income limit for elderly households)

Anti-Poverty Tax Policies to Consider

- > Expand Earned Income Tax Credit and make it refundable
- > Expand circuit breaker to include homeowners and renters of all ages and increase maximum credit
- > Make child-related credits refundable and increase benefits
- > Allow filers to claim Child and Dependent Care Credit and Child Tax Credit
- > Increase low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Oregon

2018 Poverty Rate = 12.6%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,700	\$48,200	\$1,122,100
Taxes as a Share of Income	10.1%	9.1%	8.1%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 9% of the federal credit; 12% for filers with one or more dependents under 3 years old
- > Low-income circuit breaker (for renters, 58+)
- > Refundable income-limited Child and Dependent Care Credit
- > Refundable low-income child credit to offset qualifying child care expenses for low-income working families

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Expand circuit breaker program to include homeowners and renters of all ages
- > Increase maximum benefits of Child and Dependent Care Credit
- > Increase low-income child credit
- > Create a refundable low-income credit for all households

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Pennsylvania

2018 Poverty Rate = 12.2%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,600	\$49,400	\$1,327,500
Taxes as a Share of Income	13.8%	11.1%	6.0%

Anti-Poverty Tax Policies Offered

- > Low-income circuit breaker (for homeowners and renters, 65+, 50+ surviving spouse or disabled)
- > Nonrefundable Low-Income Credit

Anti-Poverty Tax Policies to Consider

- > Expand Circuit Breaker to all ages
- > Enhance Low-Income Credit
- > Introduce a Refundable Earned Income Tax Credit
- > Create a Child-related Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Rhode Island

2018 Poverty Rate = 12.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,000	\$45,700	\$1,123,300
Taxes as a Share of Income	12.1%	9.5%	7.9%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 15% of the federal credit
- > Low-income circuit breaker (for homeowners and renters, 65+ or disabled)
- > Nonrefundable Child and Dependent Care Credit at 25% of the federal credit

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Restore circuit breaker program for homeowners and renters under 65
- > Make Child and Dependent Care Credit refundable and limit to low-income families
- > Create a refundable low-income credit for all households

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

South Carolina

2018 Poverty Rate = 15.3%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,000	\$39,500	\$992,300
Taxes as a Share of Income	8.3%	8.1%	6.8%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 41.6% of the federal credit; phasing in to 125% of federal credit
- > Refundable Child and Dependent Care Credit at 7% of the federal credit

Anti-Poverty Tax Policies to Consider

- > Make Earned Income tax refundable
- > Make Child and Dependent Care Credit refundable and limit to low-income families
- > Create a low-income property tax circuit breaker
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

South Dakota

2018 Poverty Rate = 13.1%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$14,900	\$52,600	\$1,499,400
Taxes as a Share of Income	11.2%	8.9%	2.5%

Anti-Poverty Tax Policies Offered

> Low-Income Quasi-Circuit Breaker (For Homeowners, 65+ or Disabled)

Anti-Poverty Tax Policies to Consider

- > Fully fund circuit breaker program and expand to include homeowners and renters of all ages
- > Introduce a refundable Earned Income Tax Credit
- > Create a child-related credit
- > Create a refundable low-income credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Tennessee

2018 Poverty Rate = 15.3%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,000	\$40,800	\$1,344,600
Taxes as a Share of Income	10.5%	8.5%	2.8%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related credit
- > Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Texas

2018 Poverty Rate = 14.9%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,000	\$45,300	\$1,636,700
Taxes as a Share of Income	13.0%	9.7%	3.1%

Anti-Poverty Tax Policies Offered

> NONE

Anti-Poverty Tax Policies to Consider

- > Introduce a Refundable Earned Income Tax Credit
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related credit
- > Create a Refundable Low-Income Credit

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Utah

2018 Poverty Rate = 9.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$14,100	\$50,600	\$1,300,500
Taxes as a Share of Income	7.5%	8.2%	6.7%

Anti-Poverty Tax Policies Offered

> Low-Income Circuit Breaker (For Homeowners and Renters, 65+)

Anti-Poverty Tax Policies to Consider

- > Expand Circuit Breaker Program to include all ages
- > Introduce a Refundable Earned Income Tax Credit
- > Create a Child-related Credit
- > Create a Refundable Low-Income Credit

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Vermont

2018 Poverty Rate = 11.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$11,500	\$49,200	\$993,600
Taxes as a Share of Income	8.7%	10.1%	10.4%

Anti-Poverty Tax Policies Offered

- > Refundable Earned Income Tax Credit at 36% of federal credit
- > Low- and Middle- Income Circuit Breaker (For Homeowners and Renters, All Ages)
- > Refundable Child and Dependent Care Credit at 50% of the federal credit for taxpayers with income below \$30K if single, \$40K if married; nonrefundable credit at 24% of the federal credit for all other filers

Anti-Poverty Tax Policies to Consider

- > Increase Earned Income Tax Credit
- > Increase circuit breaker program maximum benefits
- > Make Child and Dependent Care Credit fully refundable and limit to low-income families
- > Create a refundable low-income credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Virginia

2018 Poverty Rate = 10.7%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$12,900	\$50,800	\$1,415,500
Taxes as a Share of Income	9.8%	9.2%	7.0%

Anti-Poverty Tax Policies Offered

- > Nonrefundable Earned Income Tax Credit at 20%
- > Nonrefundable Low-Income Credit can be taken as an alternative to the Earned Income Tax Credit

Anti-Poverty Tax Policies to Consider

- > Make Earned Income Tax Credit Refundable and Increase Credit
- > Make Low-Income Credit Refundable
- > Create a Low-Income Property Tax Circuit Breaker
- > Create a Child-related Credit

*The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.

Washington

2018 Poverty Rate = 10.3%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$13,500	\$56,300	\$1,618,200
Taxes as a Share of Income	17.8%	11.0%	3.0%

Anti-Poverty Tax Policies Offered

> Refundable Earned Income Tax Credit at 10% (Unfunded)

Anti-Poverty Tax Policies to Consider

> Fully fund Earned Income Tax Credit and Increase the Size of Credit

> Restore Circuit Breaker Program and expand to include all ages

> Create a Child-related Credit

> Create a Refundable Low-Income Credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

West Virginia

2018 Poverty Rate = 17.8%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$8,900	\$37,000	\$702,400
Taxes as a Share of Income	9.4%	8.5%	7.4%

Anti-Poverty Tax Policies Offered

> Universal Circuit Breaker (For Homeowners, All Ages)

> Nonrefundable Low-Income Family Credit

Anti-Poverty Tax Policies to Consider

> Limit Circuit Breaker Program to low-income households and make available to renters

> Make low-income family credit refundable

> Introduce a refundable Earned Income Tax Credit

> Create a child-related credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

Wisconsin

2018 Poverty Rate = 11.0%

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$14,700	\$50,800	\$1,169,400
Taxes as a Share of Income	10.1%	10.1%	7.7%

Anti-Poverty Tax Policies Offered

> Refundable Earned Income Tax Credit at 4% for One Child; 11% for Two; 34% for Three

> Low-Income Multiple Threshold Circuit Breaker (For Homeowners and Renters, All Ages)

> Nonrefundable, all ages, Low-Income Tax credit offered

> One time \$100 child tax rebate in 2018

Anti-Poverty Tax Policies to Consider

> Increase Earned Income Tax Credit

> Increase Circuit Breaker Program Maximum Credit

> Make Low-Income Tax Credit Refundable

> Create a permanent child related credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*

State and Local Taxes as % of Income in 2015*

	Lowest 20%	Middle 20%	Top 1%
Average Income in Group	\$15,600	\$60,700	\$2,017,000
Taxes as a Share of Income	9.6%	7.5%	2.6%

Anti-Poverty Tax Policies Offered

> Low-Income quasi-Circuit Breaker (For Homeowners and Renters, 65+ or Disabled)

Anti-Poverty Tax Policies to Consider

- > Expand circuit breaker program to include homeowners and renters of all ages
- > Introduce a refundable Earned Income Tax Credit
- > Create a child-related credit
- > Create a refundable low-income credit

**The baseline distribution of taxes is from ITEP's 2018 Who Pays? report. The figures represent total state and local taxes as a share of income.*