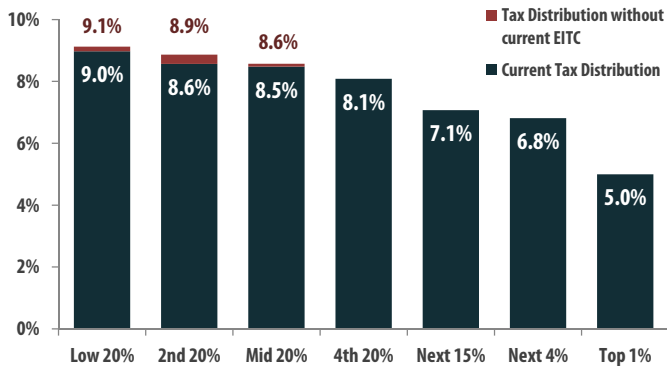


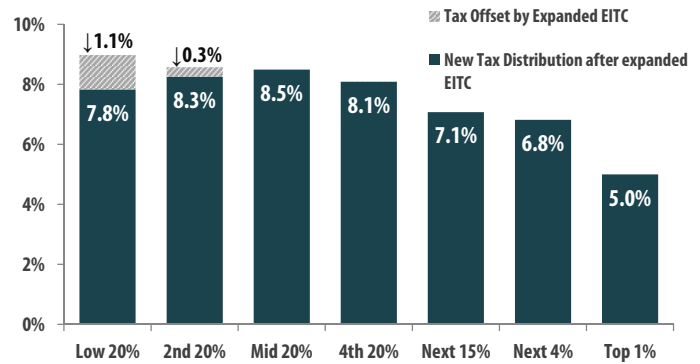
Current policy: Non-refundable state EITC worth 20% of the federal EITC

Income Group	Low 20%	2nd 20%	Mid 20%	4th 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$20,000	\$20,000 – \$37,000	\$37,000 – \$60,000	\$60,000 – \$100,000	\$100,000 – \$203,000	\$203,000 – \$479,000	\$479,000 – Or More
Average Income in Group	\$11,400	\$27,700	\$47,300	\$78,400	\$137,000	\$284,000	\$1,286,500

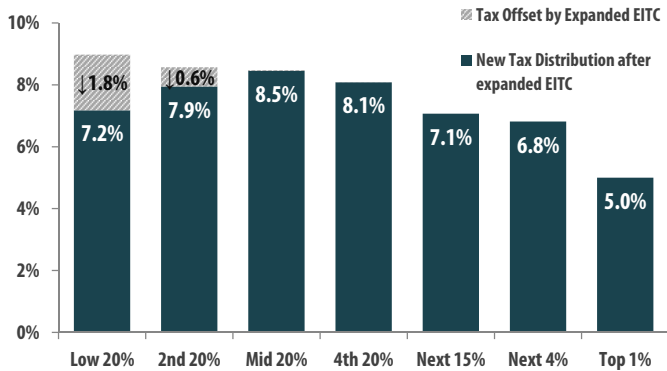
Current Distribution of Virginia's State & Local Taxes* (with impact of current EITC)



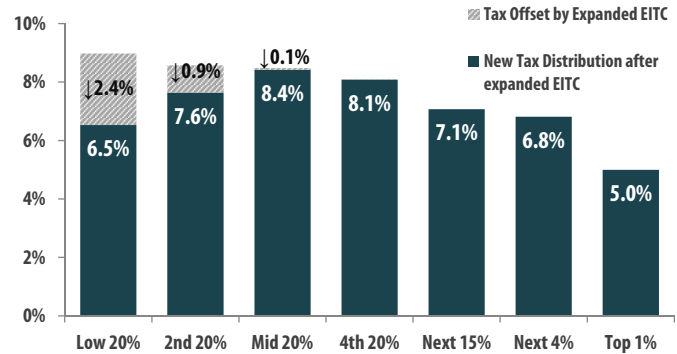
1) First Fix: Convert to a Fully Refundable 20% Credit



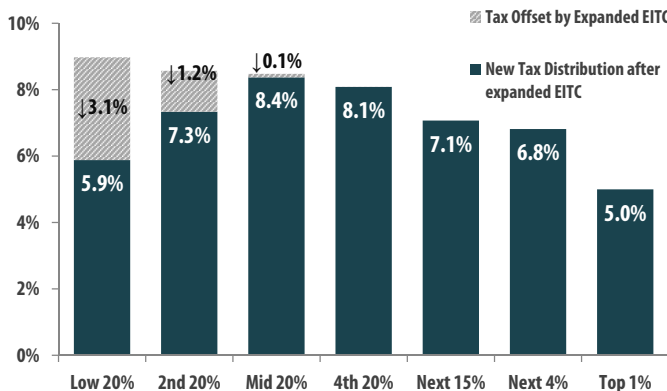
2) Make Credit Refundable and Increase to 30%



3) Make Credit Refundable and Increase to 40%



4) Make Credit Refundable and Increase to 50%



*The baseline distribution of taxes used in this report has been modified from the published *Who Pays?* results to reflect a variety of tax changes enacted in 2013, including a increases in sales taxes, diesel taxes, and motor vehicle sales taxes, as well as a cut in the gasoline tax rate. The figures represent total state and local taxes as a share of income, post-federal offset. Due to rounding, the new tax distributions shown may not always precisely equal the current distribution minus the EITC offset.