



## Welfare Peer Technical Assistance Network



# Online Forum

## *Earned Income Tax Credit (EITC)*

On March 2, 2004 the Welfare Peer Technical Assistance Network hosted its first moderated Online Forum as part of the Child-only Learning Community. Representatives from 8 States logged onto this moderated discussion to engage with Federal resource personnel around the value of the Earned Income Tax Credit (EITC) in supporting low-income and TANF families.

Sharing their insights on the call were the following Federal personnel:

- Lois Bell, the Director of the Division of State & Territory TANF Management in the Office of Family Assistance
- Grant Collins, Chief of Staff for the Director of the Office of Family Assistance
- Mike McBride, Wage and Investment Division of the IRS
- David Cunningham, Office of Family Assistance
- John Horejsi, Federal Project Officer, Welfare Peer TA Network

Mr. Collins and Mr. McBride made formal presentations on the importance of the EITC, marketing and outreach strategies, and what States and localities can do to improve usage of the EITC locally.

Mr. Collins' presentation is available online at [http://peerta.acf.hhs.gov/ppts/Grants\\_EITC.ppt](http://peerta.acf.hhs.gov/ppts/Grants_EITC.ppt). Participants then had the opportunity to ask questions of the panelists.

**"I'm inspired. This forum left me with so many great ideas!"**  
-Participant

### QUESTIONS AND ANSWERS

***Are there certain geographic areas of the country more likely to apply for the EITC than others?***

The Brookings Institute found that recipients of the EITC were more likely to live in the suburbs than in the big cities, and were more likely to live in the rural South than any other place in the nation. About 6.7 million recipients live in the suburbs, 4.6 million live in big cities and 4.2 million live in rural areas. States with the highest percentage of eligible low-wage workers are South Carolina, Mississippi, Georgia and Louisiana, while the lowest percentages are found in the Boston-to-Washington corridor. This resource, *The "State" of Low-Wage Workers, EITC Benefits Urban and Rural Communities in the 50 states* is available online at:

**"Thank you so much! I've learned a great deal in a short amount of time!"**

-Participant

<http://peerta.acf.hhs.gov/policies/poverty.htm#urban>.

### ***Can a family apply for the EITC retroactively?***

Yes! Workers can file the EITC for the last three years. If the worker qualified for the EITC but did not claim it when they filed their tax return they may do so retroactively, for up to three years. If a worker “did not” file an income tax return but qualified for EITC, they may apply for retroactive benefits. This would require that they file a tax return for the years in which they wish to claim the EITC. For more information please see ***Facts about the Earned Income Tax Credit: Tax Time Can Pay for Working Families***, Center on Budget & Policy Priorities, [www.cbpp.org](http://www.cbpp.org)

### ***Where can I find good resources on the Earned Income Tax Credit (EITC)?***

There are a variety of good resources on the EITC including “Tool kits” for organizing a local outreach initiative. The following Websites offer downloadable EITC resources:

- National Community Tax Coalition: [www.tax-coalition.org](http://www.tax-coalition.org)
- The Center on Budget and Policy Priorities: [www.cbpp.org](http://www.cbpp.org)
- The Annie Casey Foundation, [www.aecf.org](http://www.aecf.org)
- The Brookings Institution, EITC Series, [www.brookings.edu](http://www.brookings.edu)
- The Internal Revenue Service, [www.irs-eitc.info](http://www.irs-eitc.info)

### **NEXT STEPS**

Participants were provided with resources related to the EITC. Interested parties are encouraged to visit the Welfare Peer TA Website to access these valuable resources specific to the EITC. Resources available include:

- **ACF Region III Earned Income Tax Credit (EITC) Strategic Planning Meetings, Short Summary**, March 2004  
The Administration for Children and Families (ACF) Region III convened two strategic planning meetings in eastern Pennsylvania on February 12, 2004 and February 18, 2004 to provide information to county officials about the advantages of the EITC. This short summary provides a brief on the content of these meetings. Available at:  
[http://peerta.acf.hhs.gov/pdf/Region\\_3\\_EITC.pdf](http://peerta.acf.hhs.gov/pdf/Region_3_EITC.pdf)
- **Awareness and Use of the EITC Among Current and Former TANF Recipients**, March 2004  
This resource was sponsored by Maximus. It discusses how awareness and actual use of the EITC varies by ethnicity. Download at [http://peerta.acf.hhs.gov/pdf/Maximus\\_Awareness.pdf](http://peerta.acf.hhs.gov/pdf/Maximus_Awareness.pdf).
- **The Price of Paying Taxes: Tax Prep, Rapid Refunds, and the EITC: Strengthening Connections across EITC Campaigns, the Brookings Institution**  
This resource is a Microsoft Powerpoint presentation on the EITC created by the Brookings

Institution.

Available online at: [http://peerta.acf.hhs.gov/ppts/OFA\\_Brookings.ppt](http://peerta.acf.hhs.gov/ppts/OFA_Brookings.ppt)

- **Partnering with the IRS**, March 2004  
This document describes partnering opportunities and resources for national and local organizations that are seeking to work with the Internal Revenue Service (IRS). Download at: [http://peerta.acf.hhs.gov/pdf/partnering\\_with\\_irs.pdf](http://peerta.acf.hhs.gov/pdf/partnering_with_irs.pdf).
- **The State of Low-Wage Workers: How the EITC Benefits Urban and Rural Communities in the 50 States, a Brookings Institution report**, February 2004  
Authored by Alan Berube and Thacher Tiffany. This resource is a Brookings Institution report on the Earned Income Tax Credit (EITC). It concludes that State governments should consider building on the federal EITC through State tax codes; ensuring that more eligible families get the credit for free or pay a reasonable amount to do so; and revisiting policies that may discourage low-income families from saving refund dollars. To download: [http://www.brookings.edu/es/urban/publications/eitc/20040203\\_berube.htm](http://www.brookings.edu/es/urban/publications/eitc/20040203_berube.htm)
- **Delta Initiative Earned Income Tax Credit (EITC) Workshop**, January 2003  
The Department of Health and Human Services (DHHS) Administration for Children and Families, and the Internal Revenue Service (IRS), in conjunction with the National Organization of Black County Officials (NOBCO) convened a two day workshop in Jackson, Mississippi to disseminate information to county officials in a seven state area about the advantages of participating in the Earned Income Tax Credit (EITC) program. Available at: <http://peerta.acf.hhs.gov/pdf/nobco.pdf>.

The OFA personnel also encouraged participants to contact their office with any additional questions or concerns or to seek support for EITC initiatives. For more information, contact Federal Project Officer John Horejsi at 202.401.5031 or Courtney Kakuska of Caliber Associates at 703.219.4406

**“Please feel free to contact us directly or through Caliber if you would like assistance on building a targeted EITC initiative. We will also be sharing the outcomes from the pilots like Benton Harbor later in the year. You will be able to access them on the Peer TA website.”**

**-Grant Collins**

