

First Annual EITC/Asset-Building Statewide Coalition Meeting

** Georgians for Prosperity * June 28-30, 2010 * Savannah, Georgia**

Background

Last year, several individual Earned Income Tax Credit (EITC)/Asset-Building Coalitions from around Georgia came together to create a new statewide coalition – Georgians for Prosperity (G4P). During initial conversations G4P learned that each individual coalition was engaged in amazing work within their respective communities, and G4P is hopeful that together we can do even more to help the hard-working families of Georgia.

G4P plans to bring together representatives from community-based organizations, foundations, local businesses, faith-based organizations, and Community Action Agencies, as well as representatives from the Internal Revenue Service, the U.S. Department of Health and Human Services, United States Department of Agriculture, and Georgia Department of Human Services for the first annual EITC/Asset-Building Statewide Coalition Meeting this summer. The meeting will be held on June 28-30, 2010 at the Hyatt Regency in Savannah, Georgia located at Two West Bay Street. The goal is to share information about the EITC and other asset-building programs, foster peer-to-peer learning, highlight promising practices on EITC outreach and free tax preparation from around the country, provide helpful tools for launching an EITC/Asset-Building campaign, develop a statewide marketing campaign to promote such services, and facilitate the development of local and regional action plans for immediate implementation.

In order to expand TANF client and community awareness and participation in federal tax credit programs such as the EITC, G4P requested Technical Assistance from the Welfare Peer Technical Assistance Network, funded by the U.S. Department of Health and Human Services. The Welfare Peer Technical Assistance Network is helping to design the June 2010 meeting to bolster Georgia's efforts at establishing community partnerships, enhancing outreach, and, ultimately, improving access to the EITC and free tax filing assistance for low-income residents.

Background on the Earned Income Tax Credit

The EITC has been instrumental in closing the poverty gap for many of the nation's working poor. Enacted by Congress in 1975, the Federal EITC is a refundable tax credit that increases the income of low-and moderate-income working families by providing tax reductions and cash supplements. As a Federally-funded anti-poverty initiative, the primary purpose of the EITC is to help employed low wage earners maintain their financial self-sufficiency by offsetting taxes, supplementing wages, and making work more attractive than welfare. Despite the success of the program, the IRS estimates that as many as 20% - 25% of tax filers eligible for the credit fail to claim it.

Widely praised for its success in supporting work and reducing poverty, the EITC has grown to be one of the most successful and universally acclaimed provisions of U.S. domestic policy. In fact, several expansions in the late 1980s and early 1990s turned the EITC into the largest Federal aid program targeted to the working poor. The EITC provides some \$37 billion worth of assistance to almost 21 million low-income working families and is credited for lifting five million people out of poverty, including 2.7 million children of low-income workers living above the Federal poverty line. Research also indicates that the EITC has had a powerful effect in increasing the proportion of single parents who are working. These and other outcomes indicate that the EITC is one of the country's most powerful income supplements and effective work incentives for families with children. Numerous States and communities across the nation have undertaken initiatives to expand awareness of and claims for the EITC.