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Organizations push for increased Earned Income Tax Credit



By ZARIA PHILLIPS · 11 HOURS AGO
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Advocates for low-income families, policy think tanks, church organizations and other community-based agencies met in Lansing today to discuss Governor Gretchen Whitmer's proposal to raise Michigan's Earned Income Tax Credit.

Her budget proposal would allow people who qualify to claim 12 percent of the federal credit – instead of the current 6 percent.

Tom Hickson, vice president of public policy for the Michigan Catholic Conference, says the increase would give people an average of \$130 with their tax refunds; that number varies based on whether a person has children.

“Having that in their tax return can be the difference between replacing a blown tire or a needed car repair so someone can continue to go to work; or it could be that's a trip or two to the grocery store to help feed children in the family,” he said.

The state EITC was cut under then-governor Rick Snyder several years ago, from 20 percent to 6 percent.

“The need has always been there and we've always been consistent for [the EITC] to be relatively generous as possible to help families to be able to support the day to day needs of a household,” Hickson said. “You know, the cost of living has only gone up.”

Michigan State University researchers Steven R. Miller and William Knudson with the Department of Agricultural, Food and Resource Economics report that rural communities alone would get more than \$95 million in improved economic activity as a result of the increase.

Hickson said the proposed hike has bipartisan support. Legislators are in the middle of budget negotiations with the administration, so he said this is an important time to reintroduce the issue.

Republican chairs of the appropriations committees did not respond to a request for comment.

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