This bill will enhance the state's Earned Income Tax Credit (EITC) to ensure that everyone in the Commonwealth can attain a basic standard of living. The EITC enhancement will allow for coverage of more households across the state and delivers larger cash benefits to families.

**Background:**
- The EITC is a refundable tax credit for low- and moderate-income individuals that supports financial stability.

**Legislation Goals:**
1. Improve access to credits through more frequent payments options and increased communications and outreach
2. Establish a minimum $2,400 credit for extremely low-income households and those with no taxable income
3. Expand the credit to previously excluded groups
4. Extend the GMI credit to middle-income families who are currently ineligible by expanding the phase-out rate to those earning up to $75,000
5. Increase the state EITC match rate from 30% to 50% of the federal credit

For more information contact Shannon Moore, Director of State Government Relations at shannon.moore@childrens.harvard.edu

By implementing a suite of five reforms to the state EITC, the Commonwealth can ensure that every family earning up to $75,000 receives a minimum of $2,400 per year.
According to the Centers for Disease Control, the Earned Income Tax Credit helped lift about 3 million children out of poverty in 2017 and that EITC has kept more children living above the poverty line than any other tax credit program.

How the EITC Supports Children’s Development:

**Improved infant health:** Researchers have found links between increased EITC and improvements in infant health indicators.

**Better school performance:** Elementary and middle school students whose families received credits like EITC tend to have higher test scores.

**Greater college enrollment:** Young children in low income families that benefit from expanded state or federal EITCs are more likely to go to college.

Boston Children’s Hospital is proud to support this legislation as EITC is an evidenced based policy initiative that has a positive impact on children and families and aims to address the financial inequality that exist within our communities.