



Public Testimony
House Finance Committee
Re: RI Earned Income Tax Credit (20%)
House Bill 7347
May 4, 2016

Submitted by The Rhode Island Interfaith Coalition to Reduce Poverty

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Good evening. My name is Emily Jones and I'm speaking on behalf of the Rhode Island Interfaith Coalition to Reduce Poverty, a coalition of diverse religious communities and advocacy partners throughout the state who have come together to fight poverty.

14.3 per cent of Rhode Islanders are living on incomes at or below the federal poverty threshold. Many more are teetering on the edge of poverty. As people of faith, this is simply unacceptable to us. I am testifying today to voice our organization's strong support for H7347 which would increase the Rhode Island Earned Income Tax Credit (EITC) to twenty per cent of the federal credit.

In Rhode Island, almost one in five children live in poverty. By strengthening the RI Earned Income Tax Credit, we strengthen working families and our local economy. The EITC (at both the federal and state levels) has proven itself to be an effective and necessary strategy to reduce poverty and near-poverty conditions, especially for children. It has wide bipartisan support at the federal level. Here in Rhode Island, eligibility for the RI EITC stretches from border to border. It positively impacts *all* our communities.

As families struggle to make ends meet, there is a meaningful difference between 12.5%, 15% and 20%. Each additional percentage point written into law translates into additional dollars in the hands of working families, dollars which then productively cycle through our local economy. To put it in concrete terms, that percentage point buys a couple more boxes of diapers, helps stock up on groceries for a good part of an extra week, or replaces a tire on a struggling car. It matters.

As you consider the proposals before you, we urge you to increase the Rhode Island Earned Income Tax Credit to at least twenty per cent of the federal credit.

Thank you for your time and for your public service.