SUMMARY OF POSITION: We support the United States federal earned income tax credit or earned income credit (EITC or EIC) which is a refundable tax credit for low to moderate income working individuals and couples, particularly those with children. **We support continued increases in the Iowa EITC which currently pays 15% of the Federal Credit.**

United Methodist Official Statements:
The United Methodist Church calls for changes to current tax systems to better embody the following faithful principles:

- **Protecting the Poor and Vulnerable:** All tax decisions must be judged by their impact of children, low-income families... and other vulnerable populations.
- **Community:** Systems should strengthen and uphold values of our common life together. Tax and revenue systems enable governments to provide for the needs of the common good...
- **Justice:** Each government should ensure that both the burdens and benefits of a nation’s common life are shared equitably and proportionally among its citizens.


SUPPORTING FACTS AND CONSIDERATIONS
The Earned Income Tax Credit helps to Fill the Gap between Income and Basic Needs for Working Families

1. The living cost of Iowa family of four is estimated in 2013 at $50,288 \[1\]  Working full time at minimum wage is estimated at $15,000.
2. The EITC goes to pay living expenses: past rent, utilities, repairs; medical expenses.
3. The EITC is a boon to local businesses which these working poor support. It is estimated that EITC generates at least $1.50-$2.00 in local economic activity for every $1.00 claimed
See the Iowa Policy Project calculator for total EITC per House District. See site: [http://www.iowafiscal.org/how-the-eitc-hits-home](http://www.iowafiscal.org/how-the-eitc-hits-home) (Example: HD 71 – Marshalltown = $5,440,000)
4. The Cedar Rapids Gazette editorial board recently had this to say about these efforts: “A state that hands out tens of millions of dollars in tax breaks to large firms in the name of job creation should be able to afford providing a justifiably bigger break to Iowans already on the job. The earned income tax credit expansion is an endorsement of work over dependency, a pushback against a growing tide of child poverty, an economic shot in the arm for local business and tax relief for families that need it most.” \[2\]
5. We affirm that Jesus (and the Scriptures) directed us to defend the rights of the poor and needy – “the least of these.”

May we all care for the poor workers as Jesus would have us do – in our personal and our government actions.

[1] The Iowa Policy Project, (319) 338-0773, ipp@lcom.net, hgibney@iowapolicyproject.org, 5/15/13

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