

KEY FACTS

CALIFORNIA EARNED INCOME TAX CREDIT INCLUDING ALL IMMIGRANT TAX FILERS IN THE CalEITC

- ▶ The Earned Income Tax Credit has been shown to be the most effective tool to fight poverty. In 2018, the federal EITC helped lift almost 8 million people out of poverty, more than any other program.
- ▶ Including ITIN filers in the CalEITC would benefit over 600,000 individuals.
- ▶ Including ITIN filers targets California's investments in fighting poverty to low-income workers of color. 98% of individuals who would benefit from including ITIN filers are people of color, and 97% of children who would benefit from the inclusion are children of color. Filers and beneficiaries are estimated to be overwhelmingly Latinx.
- ▶ The most common occupations of those who would benefit from including ITIN filers are farm workers, housekeeping cleaners, cooks, construction workers, janitors, and maintenance workers.
- ▶ Including ITIN filers particularly targets households with children. An estimated 74% of households that would benefit from including ITIN filers in the current CalEITC structure live in households that include children. Over 200,000 children would benefit from including ITIN filers in the CalEITC.
- ▶ People who file their taxes with ITINs are eligible for other tax benefits, including California's renter's tax credit, the state's dependent exemption credit, and both the state and federal child and dependent care expenses credit.
- ▶ People who file their taxes with ITINs contribute \$3.2 billion in state and local taxes.