

Dear legislator,

On behalf of families across Michigan, we urge you to support the proposal to double the EITC from 6% to 12%.

The EITC has enjoyed strong bipartisan support in the past and we encourage lawmakers from both parties to embrace this unique opportunity to work together and stand up for Michigan families.

We are a diverse coalition of groups united by our conviction that increasing the EITC will help families and small businesses across our state. Research shows the EITC puts money back in the pockets of hard-working families, helping them achieve financial security while boosting local spending at restaurants, grocery and hardware stores and other small businesses.

The Federal EITC provides relief for low-to-moderately-low-income working individuals in the form of a credit on their tax returns. In 2006, Michigan lawmakers passed a law that provided qualified individuals 20% of their federal EITC on their state income taxes. That amount was reduced to 6% through legislation passed in 2010. Gov. Whitmer has proposed doubling Michigan's EITC to 12% in her budget.

There is a common misconception that the EITC only impacts urban communities. However, a recent [Michigan State University study](#) found raising the Michigan EITC to 12% would increase the average qualifying rural tax filer's tax credit by more than \$130 annually. The study also found the change would benefit rural communities through increased spending at local businesses. According to the study, the increase would have an economic impact of \$92.5 million.

Increasing the Michigan EITC is a step toward creating greater economic opportunity for all Michiganders and we urge you to support the proposal to increase it from 6% to 12%.

Sincerely,

Capital Area United Way
Community Economic Development Association of Michigan
Michigan Association of United Ways
Michigan Catholic Conference
Michigan Community Action
Michigan League for Public Policy
Michigan Nonprofit Association
National Association of Social Workers Michigan Chapter
United Way for Southeastern Michigan