

November 14, 2019

Dear Senator Peters:

We are writing to ask for your active support in helping struggling working families and poor children as part of a possible tax package in the coming weeks. Specifically, we ask you to help ensure that any legislation enacted to revise the 2017 tax law, especially legislation addressing the 2017 tax law's impact on the restaurant and retail industries, *also* include improvements in the Earned Income Tax Credit (EITC) and Child Tax Credit to help millions of workers and families left out of the law — millions of whom, in the case of the restaurant and retail revisions, work in those same industries.

We greatly appreciate your support of the Working Families Tax Relief Act (S.1138), which would help lower-income workers and poor children by making needed EITC and Child Tax Credit improvements. As you know, 799,000 working families in our state [benefit from the EITC](#) and 503,000 children [benefit from the Child Tax Credit](#).

We understand that many senators support the Restoring Investment in Improvements Act (S. 803), which would address a problem that restaurant and retail owners face due to the 2017 tax law, while giving these industries new, permanent tax breaks. We have noticed that Sen. Toomey, one of the lead sponsors of S. 803, has been trying to move his bill as part of other legislative action this fall, most recently in September as an amendment to a retirement security bill.

We hope you would agree that another serious flaw in the 2017 law is that it entirely or, in some cases, largely left out millions of low-wage workers and low-income children. For example, it did nothing to address the problem that 5 million low-wage workers not raising children at home are taxed into — or deeper into — poverty because their small EITC (if they even get the credit at all) is not enough to offset their federal tax liabilities. And while the 2017 tax law expanded the \$2,000 Child Tax Credit for every child to higher-income families making up to \$400,000, it left millions of the nation's poorest children with only a token Child Tax Credit — or none at all.

Since many of the workers left out of the 2017 tax law are the very ones who work in the restaurant and retail industries, there's a strong link between proposals to help these workers and to help these business owners. And, according to recent press accounts, it appears you may have the opportunity to help both groups in a tax deal later this year.

**Accordingly, the state organizations listed below strongly request that you, as a cosponsor of the Working Families Tax Relief Act and a strong supporter of the EITC and Child Tax Credit, work to ensure that any legislation enacted to address the flaw in the 2017 tax law affecting the restaurant and retail industries — or any other technical problems with the 2017 tax law — also include EITC and Child Tax Credit provisions to help families and workers left out of that law. This would provide a meaningful down payment on the Working Families Tax Relief Act**

More broadly, we ask you to actively support efforts to ensure that *any* legislation this year to extend or expand tax breaks for businesses include provisions to support low- and moderate-income workers.

We appreciate your consideration of our views and look forward to hearing from you on this timely matter.

The Arc Michigan  
Baraga County Shelter Home  
Community Economic Development Association of Michigan  
DataHash  
Michigan Association of United Ways  
Michigan's Children  
Michigan Community Action  
Michigan Council of Foundations  
Michigan Economic Impact Coalition  
Michigan League for Public Policy  
Michigan Nonprofit Association  
Mid Michigan Community Action Agency  
National Association of Social Workers-Michigan  
Sisters, Home Visitors of Mary  
United Way of Southeastern Michigan