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Working families can get tax credit
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Delaware Voice

Jack Markell

At a time when budgets are tight, Delaware businesses have an incredible opportunity to help some workers achieve a significant raise in take-home income - and it won't cost employers a dime.

In coming weeks, a coalition of community organizations, led by Wilmington's **Nehemiah Gateway** Community Development Corp., will be launching Delaware's fourth annual Earned Income Tax Credit Campaign. This is a federal tax credit widely regarded as our nation's most effective program at lifting working families out of poverty. Former President Ronald Reagan called it "the best anti-poverty, the best pro-family, the best job creation measure to come out of Congress."

The EITC promotes work by boosting the incomes of low-wage workers through a refundable tax credit. No work, no refund, period. The EITC is available to families with incomes below \$36,000 and to single childless workers making less than \$12,000. The refundable credit can total up to about \$4,300 annually depending on income and the number of children in the family.

The net effect: Somebody earning \$7 per hour could effectively make about \$9 per hour by claiming the credit.

Walk in and claim it

Unfortunately, thousands of Delawareans eligible for the credit don't actually ever see the money, either because they are unaware of the opportunity or because they don't know how to go about getting it. That's where **Nehemiah Gateway** and the coalition's campaign comes into play. Thanks to dozens of area employers and hundreds of volunteers over the last three years, we have put more than \$10 million in federal dollars into the pockets of working Delawareans.

These funds go directly to the workers and are not funneled through any government or non-profit agency. Volunteers staff 17 walk-in facilities. The full list can be obtained from the Delaware Helpline at (800) 464-HELP. Volunteers provide free tax preparation and also link taxpayers with financial education, free bank accounts, access to low-cost loans for automobiles and myriad other services.

Because tax filing is done online and on site, refunds are issued quickly. As a result, taxpayers can typically avoid the expensive loans (for instant refunds) made by some tax preparation companies.

EITC refunds change the lives of recipients. Delaware businesses, social service agencies and governments can spread the word. And there is no impact on Delaware's budget. The refunds are entirely federal dollars, to which the recipients are clearly entitled. Please help us get the message out. Call the Delaware Helpline at the number above for flyers to distribute in your community, business, or faith-based organization.

Jack Markell is the state treasurer.

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