The Impacts of Increased Income on Receipt of Benefits and Tax Credits

June 18, 2015

Purpose

- Examine potential impacts of rising incomes on individuals' and families' eligibility for government-provided benefits and tax credits
- Provide context for policy decisions:
  - Minimum wage increase
  - Temporary Aid to Needy Families (TANF) Redesign

Benefits and Tax Credits
Self Sufficiency:
Supplemental Nutrition Assistance Program (SNAP)
Temporary Aid to Needy Families (TANF)
Employment Related Day Care (ERDC)
Health Care:
Medicaid
Children's Health Insurance Program
Advanced Premium Tax Credit
Rental Assistance:
HUD Section 8 Housing Choice Vouchers
Taxes and Tax Credits:
Federal Income Tax (including the Child Tax Credit)
FICA (or payroll) Taxes
Oregon Income Tax
Federal Earned Income Tax Credit (EITC)
Oregon Earned Income Credit (EIC)
Oregon Working Families Tax Credit

Workgroup Members:

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Legislative Revenue Office: Chris Allanach
Department of Human Services: Eric Moore, Ralph Amador
Oregon Health Authority: Kate Nass, Bill Coulombe, Janelle Evans
Health Insurance Programs: Kelly Harms
Oregon Office of Economic Analysis: Mark McMullen, Josh Lehner

Scope

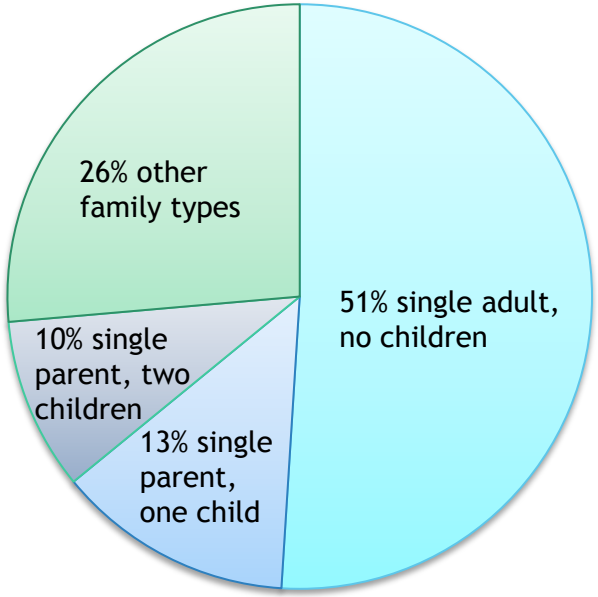
Household types:

- Single adult family with no child
- One-parent, one-child family
- One-parent, two-child family

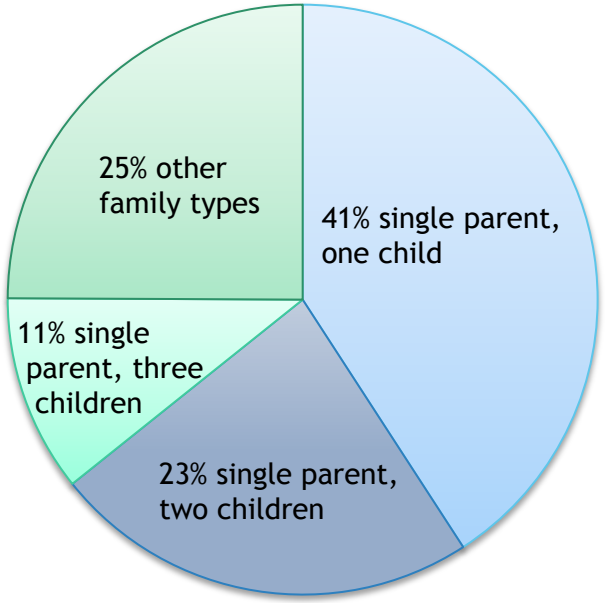
Household characteristics:

- Adult is 30 years old and the children are between 3 and 6 years old
- Families live in either the Portland metro area or in Burns (Eastern Oregon)
- Adult or parent works either 18-hours-per-week or 30 hours-per-week

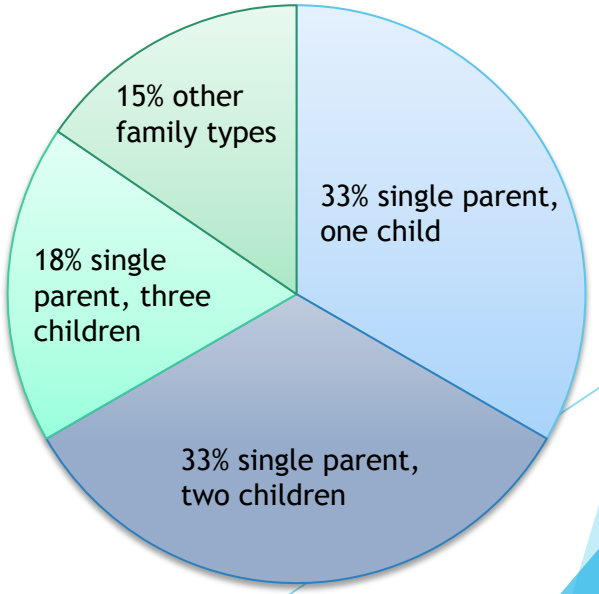
SNAP Households
as of January 2014



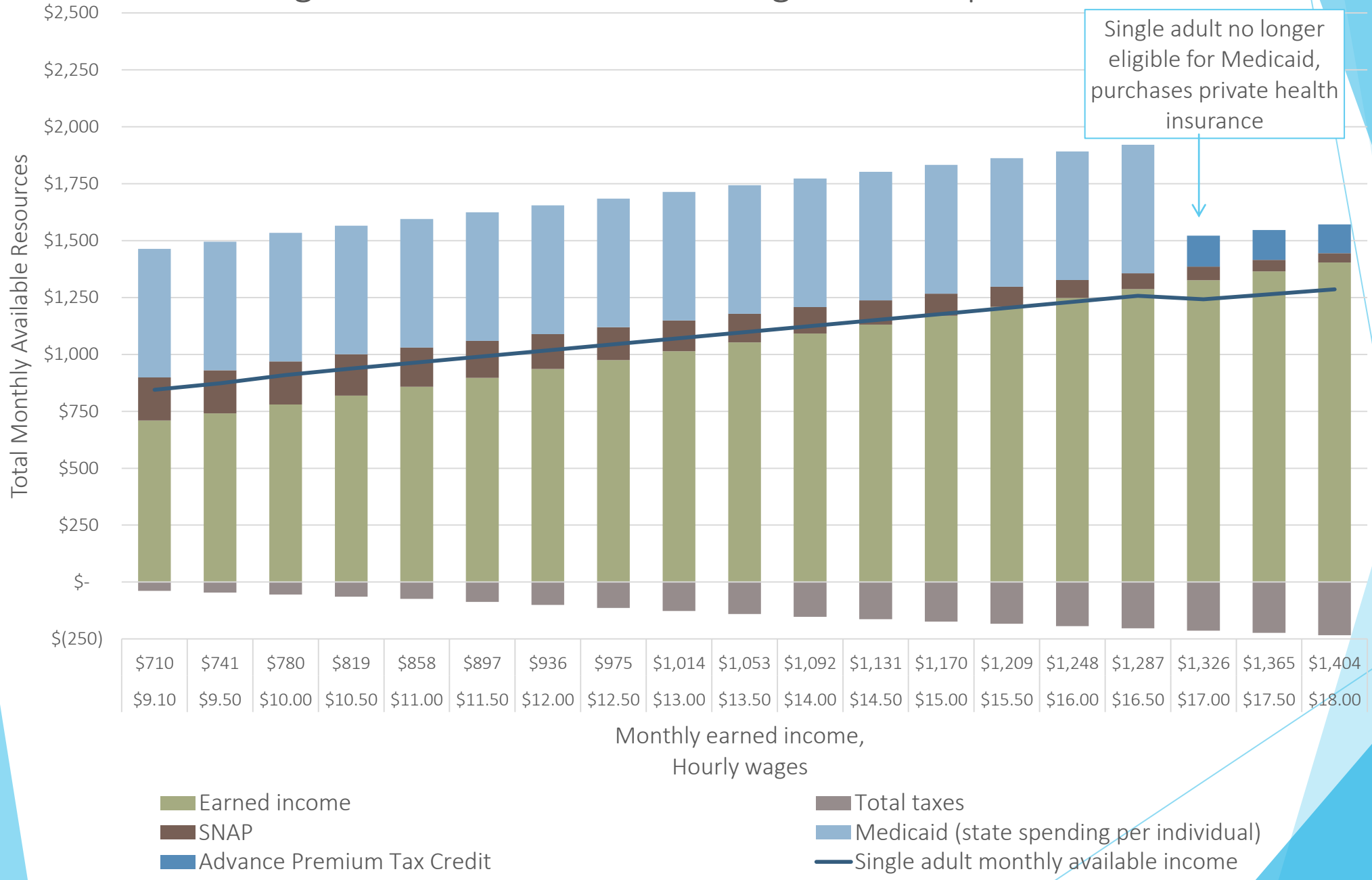
TANF Households
as of January 2014



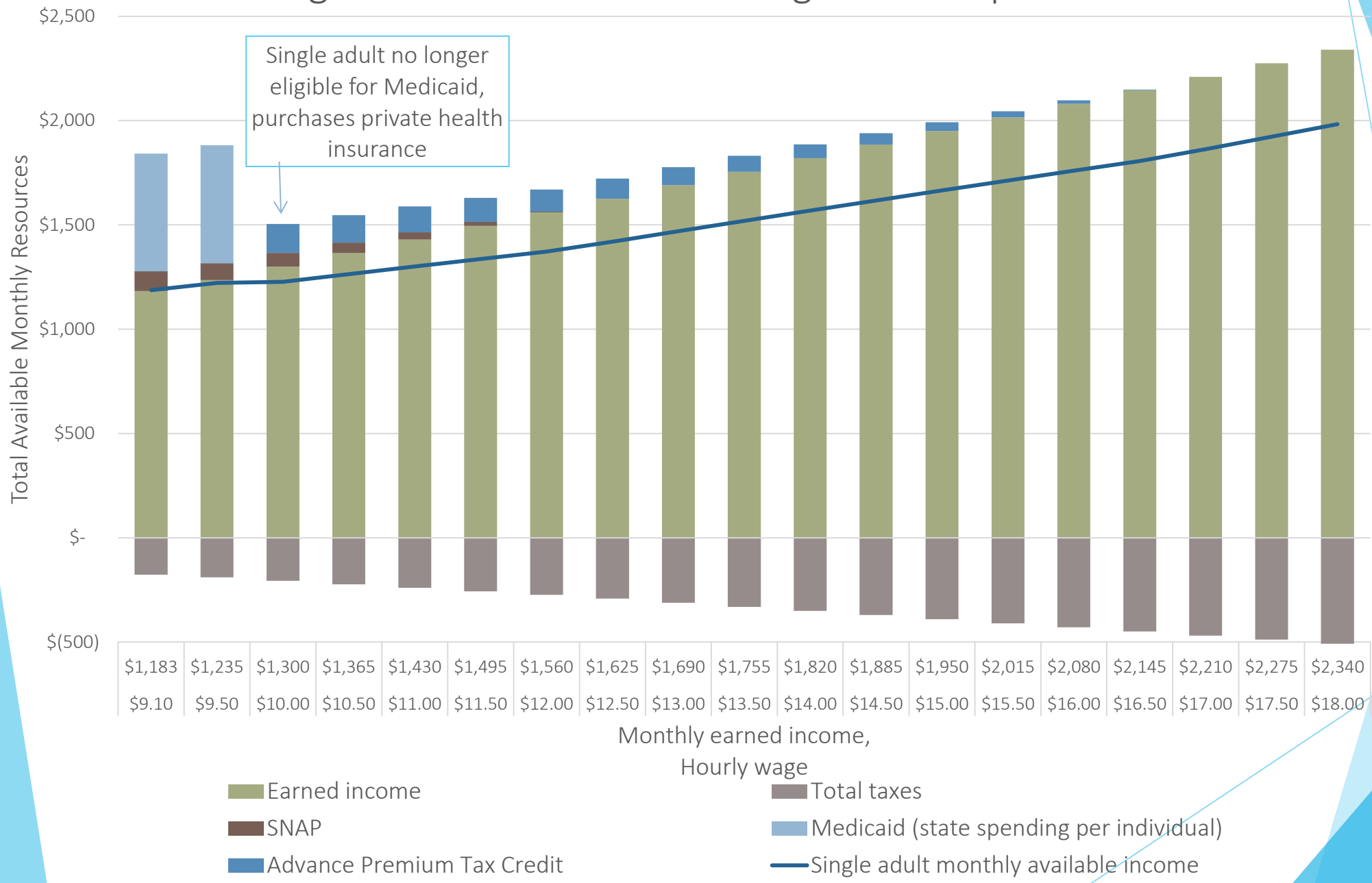
ERDC Families
as of January 2014



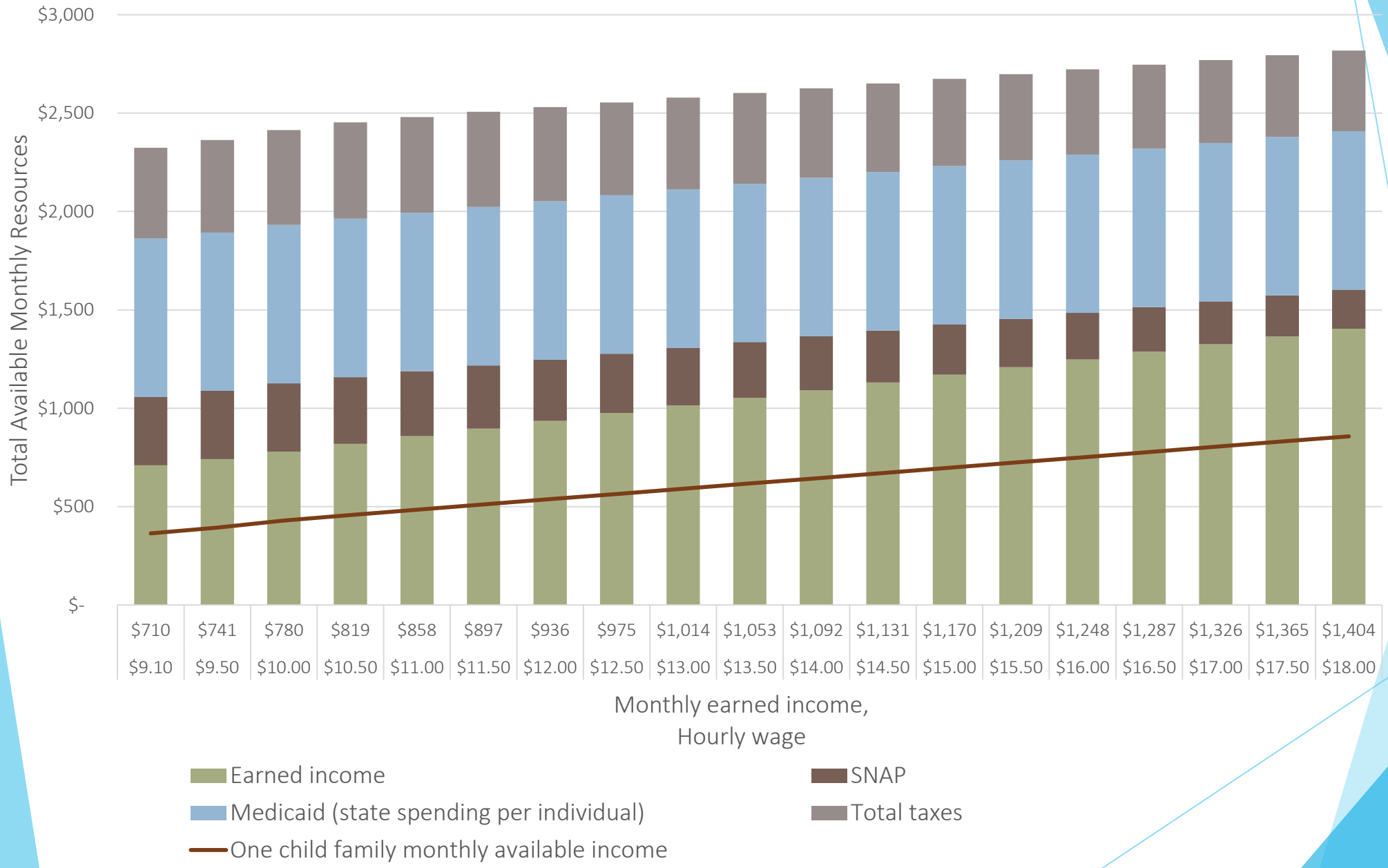
Single adult in Portland working 18 hours-per-week



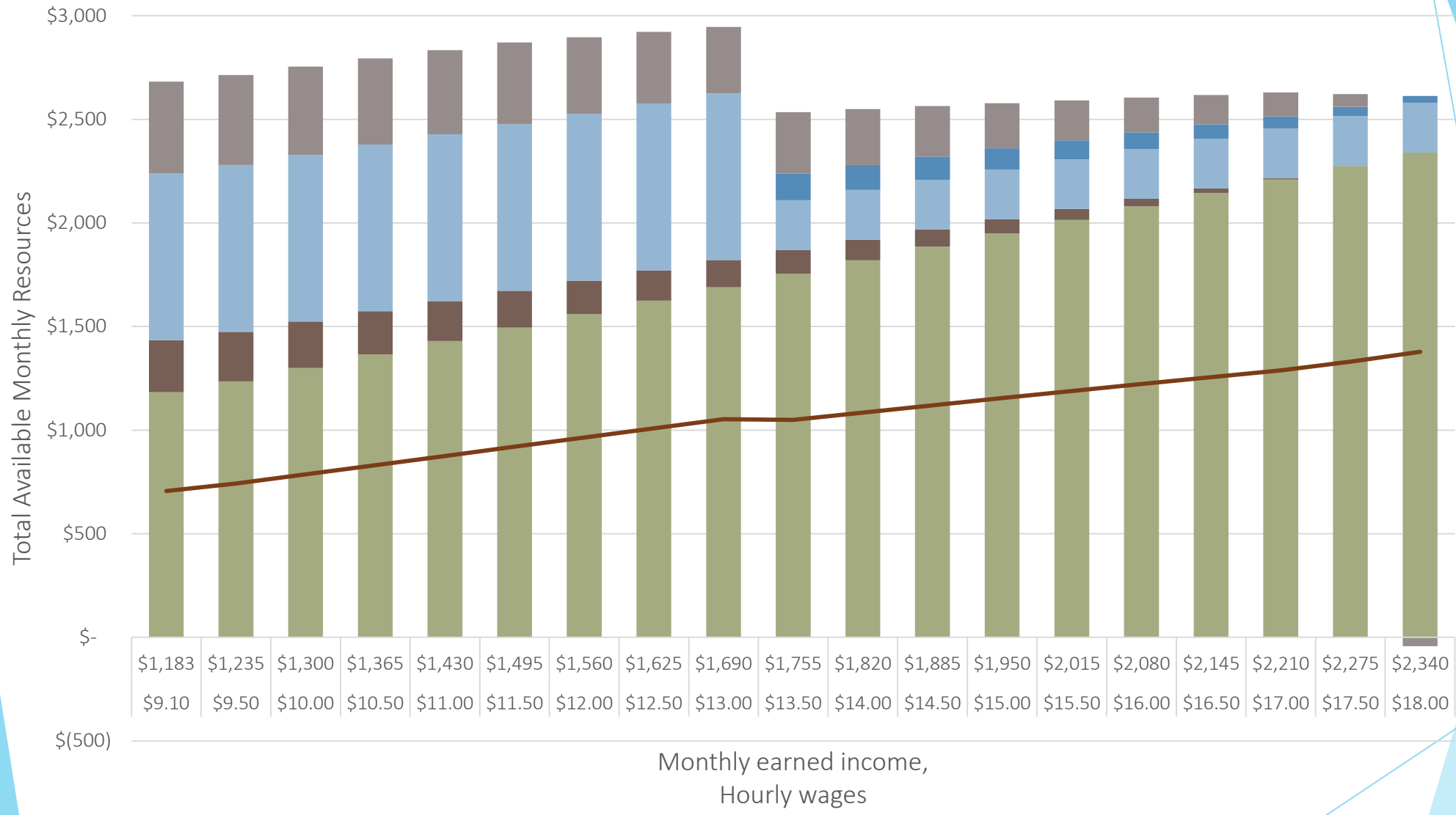
Single adult in Portland working 30 hours-per-week



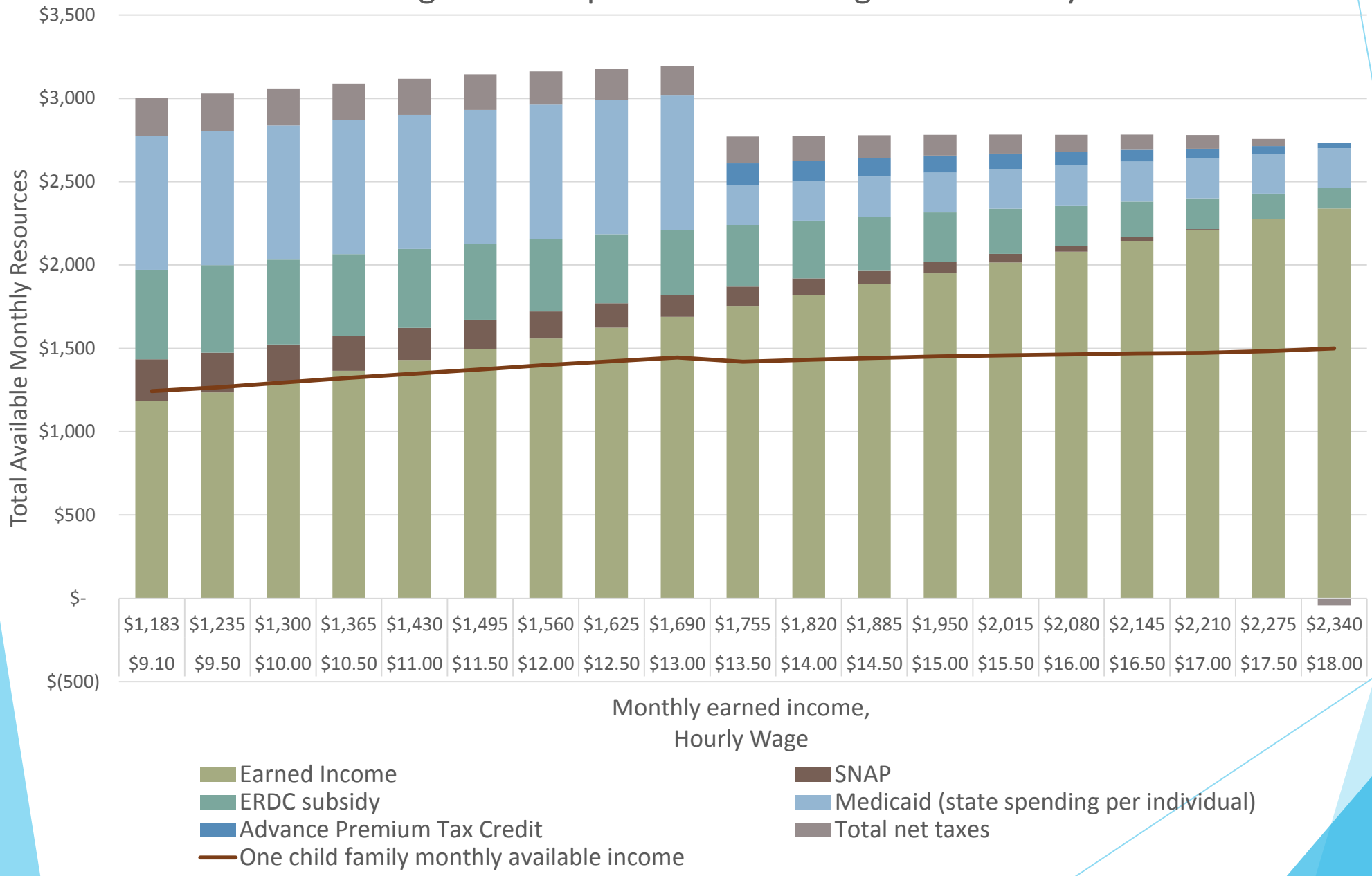
One-parent, one-child family in Portland working 18 hours-per-week

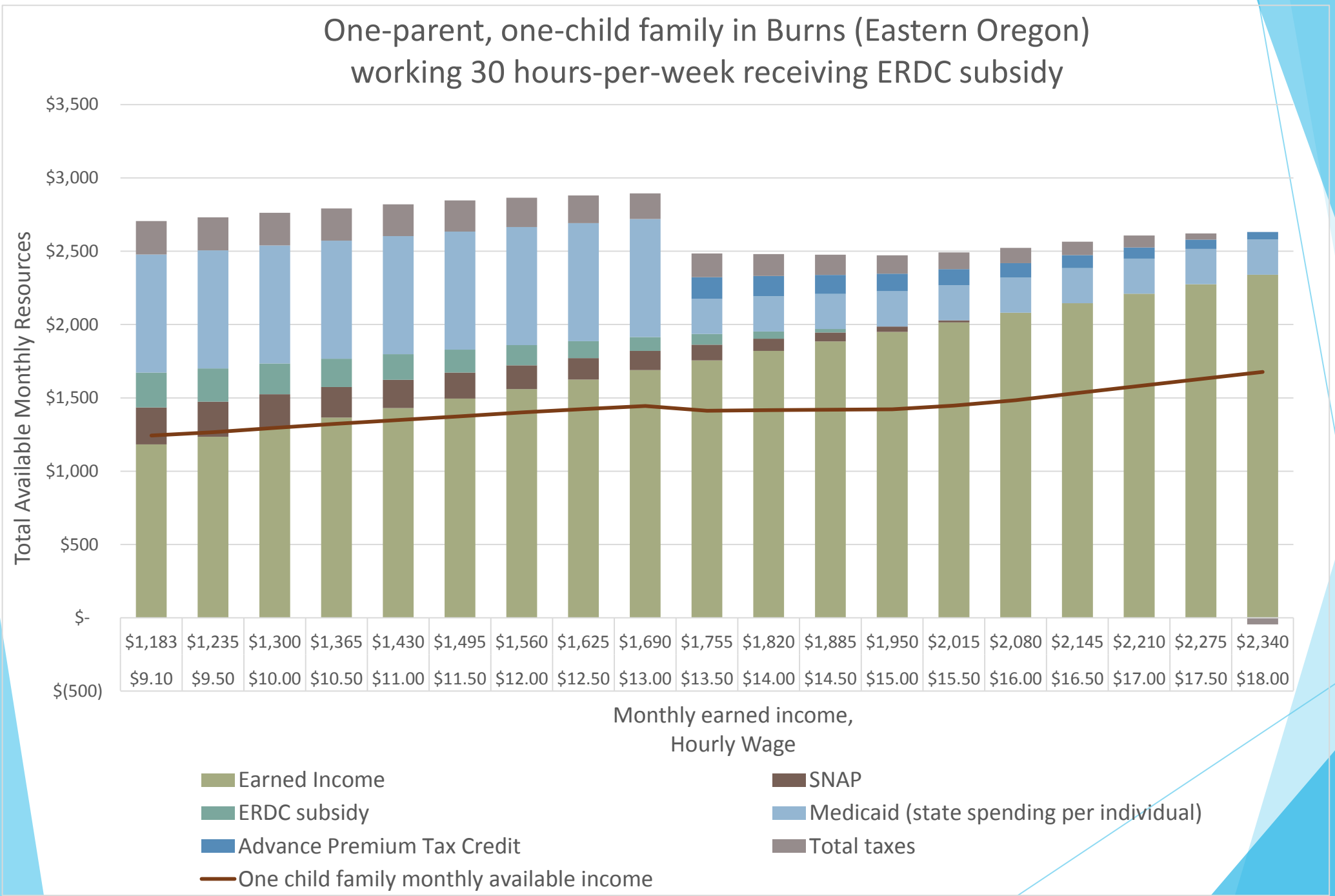
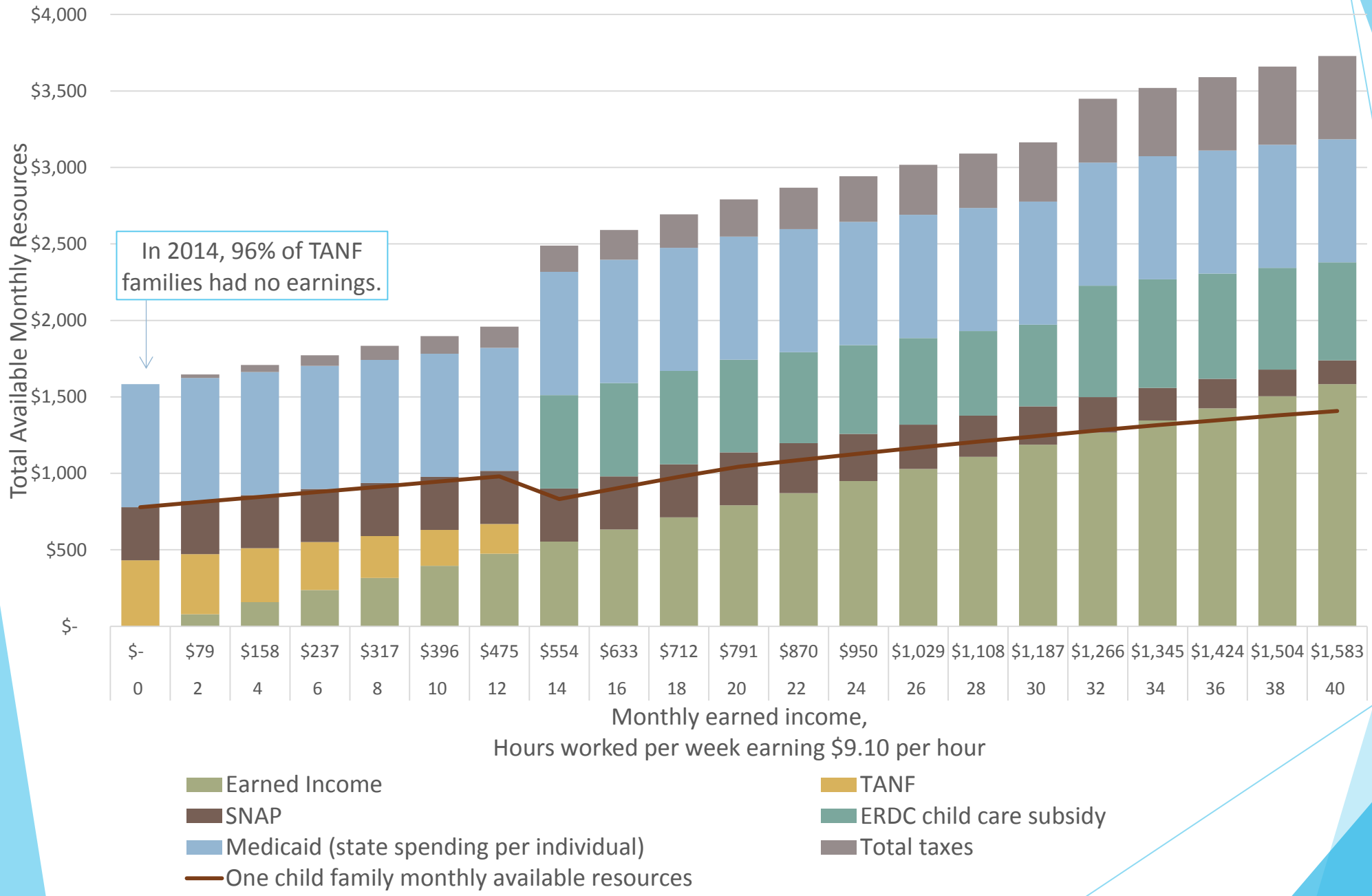


One-parent, one-child family in Portland working 30 hours-per-week



One parent, one child family in Portland working 30 hours-per-week receiving ERDC subsidy




One-parent, one-child family in Burns (Eastern Oregon) working 30 hours-per-week receiving ERDC subsidy
Total Available Monthly Resources
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$-
$(500)
$1,183 $1,235 $1,300 $1,365 $1,430 $1,495 $1,560 $1,625 $1,690 $1,755 $1,820 $1,885 $1,950 $2,015 $2,080 $2,145 $2,210 $2,275 $2,340
$9.10 $9.50 $10.00 $10.50 $11.00 $11.50 $12.00 $12.50 $13.00 $13.50 $14.00 $14.50 $15.00 $15.50 $16.00 $16.50 $17.00 $17.50 $18.00
Monthly earned income,
Hourly Wage
Earned Income
SNAP
ERDC subsidy
Medicaid (state spending per individual)
Advance Premium Tax Credit
Total taxes
One child family monthly available income

One parent, one child family in Portland receiving TANF benefits