



HB 3028 makes the Oregon EITC work better for working families

HB 3028-A Makes Oregon's EITC More Equitable and Effective

Oregon can make its Earned Income Tax Credit (EITC) even more effective by extending it to working families presently excluded from the credit. These families work, receive low wages, and file taxes — just like families that claim the credit.

Oregon's EITC leaves out some low-income workers who file taxes

Oregon's EITC is based on eligibility for the federal EITC, which discriminates against families who would otherwise qualify for the EITC based on their earned income. Those excluded include:

- ITIN filers. Currently, a worker cannot receive the EITC if they file a tax return using an Individual Taxpayer Identification Number (ITIN). ITIN filers include undocumented workers, student visa holders, some spouses and children of people with employment visas, and some survivors of domestic violence.
- U.S. citizens in mixed status households. The federal EITC requires that every person claimed in a tax return, including all children, have a Social Security Number (SSN). Oregon uses the same eligibility. As such, Oregon's EITC **excludes 90,000 U.S. citizens, including 70,000 citizen children**, living in mixed status households.
- "Dreamers" and other lawfully present immigrants. Oregonians with Deferred Action for Childhood Arrivals (DACA) status — "Dreamers" who arrived as children — are caught in federal immigration politics. So too are immigrants with Temporary Protected Status (TPS). Unable to get their work authorization renewed and despite having a valid SSN, these lawfully present immigrants are excluded from the federal and Oregon EITC.

HB 3028-A ends discrimination in Oregon's EITC

HB 3028-A treats all working taxpayers the same, regardless of use of an ITIN. It ends discrimination in the EITC against U.S. citizens living in mixed status households. It ends the exclusion of Dreamers and TPS status-holders whose work authorization has expired.

HB 3028-A helps children succeed

The EITC is shown to help children succeed by improving their health, school performance, and college attendance. Indeed, children receiving the EITC earn more as adults. Removing the ITIN exclusion would help at least 70,000 Oregon children in lower-income households gain opportunities that lead to an economically secure life.

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