

To: House Revenue  
From: Alicia Temple, Oregon Law Center  
Date: March 2, 2021  
Re: HB 2819, Ending the ITIN Exclusion for the EITC

Chair Nathanson and members of the committee:

On behalf of the Oregon Law Center (OLC), I am submitting testimony in support of HB 2819, to extend the EITC to more Oregonians by ending the exclusion of ITIN filers.

OLC is a non-profit organization that provides free legal help to people struggling to make ends meet. Our mission is to achieve justice for low-income communities in Oregon by providing a full range of the highest quality civil legal services. We advocate for our clients and for the services and programs that help them to overcome poverty. EITC is an important resource for low-income, working families.

The EITC is one of the largest anti-poverty tools available in the US. It was created in 1975 and was designed to encourage and reward work. Over the years it has been expanded and improved. The EITC has strong, bipartisan support because it supplements low-wages and helps lift families out of poverty. Over 900,000 Oregonians benefit from the EITC every year. In 2016, the average EITC across the country was \$3,176. To a family working hard to make ends meet, \$3000 can make a significant difference.

OLC has many clients who benefit from the EITC. One couple had immigrated to the United States with their four children as refugees from Angola. The husband worked as a dishwasher at New Seasons until he was terminated after becoming injured on the job. The wife worked at Wal-Mart at minimum wage. They were relying on their EITC to make it through this tough time but instead the IRS froze their refund and audited the return. While the audit was pending, the family was unable to pay their rent and their landlord began eviction proceedings. They were able to prevail in their case just in time and with the money they received paid their rent. The EITC was literally the only thing that stood between them and homelessness.

This critical anti-poverty tool should be available to all working Oregonians who are income eligible, but currently many are left out due to the federal eligibility rules. HB 2819 fixes this gap by extending the EITC to taxpayers who file with an ITIN number. An individual taxpayer identification numbers (ITIN) is what filers without a social security number use. These Oregonians are working and pay taxes, but are excluded from benefiting from the federal EITC. This change in Oregon's EITC would make the credit more equitable and ensure that all low-income working families can claim the EITC.

Working Oregonians depend on the EITC to help make ends meet, to repair their cars, to pay off debt, or to invest in training and education. All income-eligible Oregonians who are working and paying taxes should be able to receive the same tax benefit. By ensuring that ITIN families can receive the EITC, we can make a significant difference in the lives of families who are doing their best to make ends meet.