Ohio EITC Impact:
A credit that counts for working families in Senate District 1
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 1

According to the most recent data available from the Brookings Institution, 25,358 residents of Senate District 1 claimed the federal EITC.\(^6\) That’s 16% of District tax filers. The average federal EITC in the District was $2,158. In total, residents of Senate District 1, brought back $54,712,692 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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5. The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 1
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 1. If each of the Senate District 1 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $8,754,031 to the district, and an average credit of $345. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>A credit that counts for Senate District 1</th>
<th>Estimated impact of a 16 percent, refundable, non-capped Ohio EITC</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,358 EITC households</td>
<td>$8,754,031 Total state EITC refund at 16 percent</td>
</tr>
<tr>
<td></td>
<td>$345 Average state EITC refund per household at 16 percent</td>
</tr>
</tbody>
</table>

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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


10 Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992.

11 Hannah Halbert, supra note 7.

12 Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC.

13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:  
A credit that counts for working families in Senate District 2  
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

The federal EITC in Senate District 2
According to the most recent data available from the Brookings Institution, 23,359 residents of Senate District 2 claimed the federal EITC.\(^6\) That’s 14% of District tax filers. The average federal EITC in the District was $2,054. In total, residents of Senate District 2, brought back $47,968,761 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^3\) Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at [http://bit.ly/1MtUZbh](http://bit.ly/1MtUZbh).


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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\textsuperscript{8} Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\textsuperscript{9} Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\textsuperscript{10} Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\textsuperscript{11}

A credit that counts for Senate District 2

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 2. If each of the Senate District 2 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $7,675,002 to the district, and an average credit of $329.\textsuperscript{12} A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\textsuperscript{13}

<table>
<thead>
<tr>
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\textsuperscript{13} Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 3
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 3
According to the most recent data available from the Brookings Institution, 31,913 residents of Senate District 3 claimed the federal EITC.\(^6\) That’s 20% of District tax filers. The average federal EITC in the District was $2,458. In total, residents of Senate District 3, brought back $78,449,185 in federal EITC to their communities.

### Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^3\) Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at [http://bit.ly/1MtUZbh](http://bit.ly/1MtUZbh).


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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

A credit that counts for Senate District 3

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 3. If each of the Senate District 3 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $12,551,870 to the district, and an average credit of $393.\(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

<table>
<thead>
<tr>
<th>A credit that counts for Senate District 3</th>
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<td>31,913 EITC households</td>
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\(^8\) Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


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\(^13\) Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.

www.policymattersohio.org
The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 4**

According to the most recent data available from the Brookings Institution, 24,742 residents of Senate District 4 claimed the federal EITC.\(^6\) That’s 16% of District tax filers. The average federal EITC in the District was $2,305. In total, residents of Senate District 4, brought back $57,040,957 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 4
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 4. If each of the Senate District 4 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,126,553 to the district, and an average credit of $369. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 5
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

The federal EITC in Senate District 5
According to the most recent data available from the Brookings Institution, 36,140 residents of Senate District 5 claimed the federal EITC.\(^6\) That’s 24% of District tax filers. The average federal EITC in the District was $2,476. In total, residents of Senate District 5, brought back $89,492,084 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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www.policymattersohio.org
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 5
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 5. If each of the Senate District 5 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $14,318,733 to the district, and an average credit of $396. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
<th>Total state EITC refund at 16 percent</th>
<th>Average state EITC refund per household at 16 percent</th>
</tr>
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<tr>
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Ohio EITC Impact:
A credit that counts for working families in Senate District 6
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year. Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings. The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.

Federal EITC impact for Senate District 6

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>EITC households</td>
<td>25,589</td>
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<tr>
<td>Percentage of all filers claiming EITC</td>
<td>15%</td>
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<tr>
<td>Total refunds to district</td>
<td>$56,820,436</td>
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<tr>
<td>Average household refund</td>
<td>$2,221</td>
</tr>
</tbody>
</table>

The federal EITC in Senate District 6
According to the most recent data available from the Brookings Institution, 25,589 residents of Senate District 6 claimed the federal EITC. That’s 15% of District tax filers. The average federal EITC in the District was $2,221. In total, residents of Senate District 6, brought back $56,820,436 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.

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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

### A credit that counts for Senate District 6
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 6. If each of the Senate District 6 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,091,270 to the district, and an average credit of $355. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
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<th>A credit that counts for Senate District 6</th>
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<tbody>
<tr>
<td>EITC households</td>
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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


10 Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992.

11 Hannah Halbert, supra note 7.

12 Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC.

13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 7
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

The federal EITC in Senate District 7
According to the most recent data available from the Brookings Institution, 17,518 residents of Senate District 7 claimed the federal EITC.\(^6\) That’s 11% of District tax filers. The average federal EITC in the District was $2,113. In total, residents of Senate District 7, brought back $37,016,357 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

\(^6\) The Brookings Institution, supra at note 2.

All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^{10}\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^{11}\)

A credit that counts for Senate District 7
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 7. If each of the Senate District 7 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $5,922,617 to the district, and an average credit of $338.\(^{12}\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^{13}\)

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\(^8\) Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014. \(^9\) Working Poor Families Project, Population Reference Bureau analysis of 2013 American Community Survey data and of May 2013 Occupational Employment Statistics. \(^{10}\) Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992. \(^{11}\) Hannah Halbert, supra note 7. \(^{12}\) Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC. \(^{13}\) Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact: A credit that counts for working families in Senate District 8
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.¹ The credit helps low-wage workers make ends meet and gives our state economy a boost.³ Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.⁴ The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.⁵

The federal EITC in Senate District 8
According to the most recent data available from the Brookings Institution, 27,047 residents of Senate District 8 claimed the federal EITC.⁶ That’s 16% of District tax filers. The average federal EITC in the District was $2,359. In total, residents of Senate District 8, brought back $63,806,734 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁷

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³ Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
⁵ The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at http://brook.gs/1wGEZdQ.
⁶ The Brookings Institution, supra at note 2.
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 8
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 8. If each of the Senate District 8 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,209,077 to the district, and an average credit of $377. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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Ohio EITC Impact:
A credit that counts for working families in Senate District 9
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.¹ Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings. ²

The federal EITC in Senate District 9
According to the most recent data available from the Brookings Institution, 38,282 residents of Senate District 9 claimed the federal EITC.³ That’s 25% of District tax filers. The average federal EITC in the District was $2,478. In total, residents of Senate District 9, brought back $94,854,012 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁴

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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

**A credit that counts for Senate District 9**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 9. If each of the Senate District 9 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $15,176,642 to the district, and an average credit of $396.\(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

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**The federal EITC in Senate District 10**

According to the most recent data available from the Brookings Institution, 26,273 residents of Senate District 10 claimed the federal EITC.\(^6\) That’s 18% of District tax filers. The average federal EITC in the District was $2,259. In total, residents of Senate District 10, brought back $59,360,224 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

**A credit that counts for Senate District 10**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 10. If each of the Senate District 10 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,497,636 to the district, and an average credit of $361.\(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

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Ohio EITC Impact:
A credit that counts for working families in Senate District 11
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 11

According to the most recent data available from the Brookings Institution, 37,595 residents of Senate District 11 claimed the federal EITC.\(^6\) That’s 25% of District tax filers. The average federal EITC in the District was $2,455. In total, residents of Senate District 11, brought back $92,286,458 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\textsuperscript{10} Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\textsuperscript{11}

\textbf{A credit that counts for Senate District 11}

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 11. If each of the Senate District 11 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $14,765,833 to the district, and an average credit of $393.\textsuperscript{12} A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\textsuperscript{13}

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\begin{tabular}{|l|c|c|}
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Ohio EITC Impact: 
A credit that counts for working families in Senate District 12
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 12**
According to the most recent data available from the Brookings Institution, 26,447 residents of Senate District 12 claimed the federal EITC.\(^6\) That’s 17% of District tax filers. The average federal EITC in the District was $2,227. In total, residents of Senate District 12, brought back $58,898,599 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).
\(^6\) The Brookings Institution, supra at note 2.
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 12
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 12. If each of the Senate District 12 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,423,776 to the district, and an average credit of $356. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
<th>Total state EITC refund at 16 percent</th>
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</thead>
<tbody>
<tr>
<td>26,447</td>
<td>$9,423,776</td>
<td>$356</td>
</tr>
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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.
10 Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992.
11 Hannah Halbert, supra note 7.
12 Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC.
13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:  
A credit that counts for working families in Senate District 13  
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 13**

According to the most recent data available from the Brookings Institution, 28,124 residents of Senate District 13 claimed the federal EITC.\(^6\) That’s 17% of District tax filers. The average federal EITC in the District was $2,286. In total, residents of Senate District 13, brought back $64,283,388 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

\(^6\) The Brookings Institution, *supra* at note 2.

All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^{10}\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^{11}\)

### A credit that counts for Senate District 13

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 13. If each of the Senate District 13 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,285,342 to the district, and an average credit of $366.\(^{12}\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^{13}\)

| Estimated impact of a 16 percent, refundable, non-capped Ohio EITC |
|---|---|---|
| 28,124 EITC households | $10,285,342 Total state EITC refund at 16 percent | $366 Average state EITC refund per household at 16 percent |

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8. Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.
10. Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992.
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12. Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC.
13. Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 14
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.¹ The credit helps low-wage workers make ends meet and gives our state economy a boost.³ Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.⁴ The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.⁵

The federal EITC in Senate District 14
According to the most recent data available from the Brookings Institution, 28,861 residents of Senate District 14 claimed the federal EITC.⁶ That’s 19% of District tax filers. The average federal EITC in the District was $2,325. In total, residents of Senate District 14, brought back $67,095,790 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁷

³ Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
⁵ The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at http://brook.gs/1wGEZdQ.
⁶ The Brookings Institution, supra at note 2.
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 14
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 14. If each of the Senate District 14 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,735,326 to the district, and an average credit of $372. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
<th>Total state EITC refund at 16 percent</th>
<th>Average state EITC refund per household at 16 percent</th>
</tr>
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<tr>
<td>28,861</td>
<td>$10,735,326</td>
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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.
10 Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at http://www.cbpp.org/cms/index.cfm?fa=view&id=2992.
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 15
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.1 The credit helps low-wage workers make ends meet and gives our state economy a boost.3 Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.4 The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.5

The federal EITC in Senate District 15
According to the most recent data available from the Brookings Institution, 43,715 residents of Senate District 15 claimed the federal EITC.6 That’s 28% of District tax filers. The average federal EITC in the District was $2,567. In total, residents of Senate District 15, brought back $112,200,789 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.7

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3 Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
5 The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at http://brook.gs/1wGEZdQ
6 The Brookings Institution, supra at note 2.
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

**A credit that counts for Senate District 15**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 15. If each of the Senate District 15 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $17,952,126 to the district, and an average credit of $411. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
<th>Total state EITC refund at 16 percent</th>
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</tr>
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 16
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 16
According to the most recent data available from the Brookings Institution, 20,039 residents of Senate District 16 claimed the federal EITC.\(^6\) That’s 11% of District tax filers. The average federal EITC in the District was $2,221. In total, residents of Senate District 16, brought back $44,513,729 in federal EITC to their communities.

### Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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5. The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 16
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 16. If each of the Senate District 16 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $7,122,197 to the district, and an average credit of $355. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>A credit that counts for Senate District 16</th>
<th>Estimated impact of a 16 percent, refundable, non-capped Ohio EITC</th>
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<tbody>
<tr>
<td>20,039 EITC households</td>
<td>$7,122,197 Total state EITC refund at 16 percent</td>
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:  
A credit that counts for working families in Senate District 17  
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 17**

According to the most recent data available from the Brookings Institution, 32,893 residents of Senate District 17 claimed the federal EITC.\(^6\) That’s 23% of District tax filers. The average federal EITC in the District was $2,339. In total, residents of Senate District 17, brought back $76,930,877 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

**A credit that counts for Senate District 17**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 17. If each of the Senate District 17 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $12,308,940 to the district, and an average credit of $374. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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<tr>
<th>EITC households</th>
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Ohio EITC Impact:
A credit that counts for working families in Senate District 18
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 18**
According to the most recent data available from the Brookings Institution, 20,248 residents of Senate District 18 claimed the federal EITC.\(^6\) That’s 13% of District tax filers. The average federal EITC in the District was $2,008. In total, residents of Senate District 18, brought back $40,659,872 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^3\) Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at [http://bit.ly/1MtUZbh](http://bit.ly/1MtUZbh).


\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

\(^6\) The Brookings Institution, supra at note 2.

All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

**A credit that counts for Senate District 18**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 18. If each of the Senate District 18 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $6,505,580 to the district, and an average credit of $321.\(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

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\(^8\) Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


\(^10\) Estimated total cost of a 10 percent refundable EITC is $223 million. This reflects the total cost of the credit and includes the amount the state is already spending on the EITC. The cost of reforming the existing credit would therefore be less than these estimates. See, Center on Budget and Policy Priorities, “How much would a state Earned Income Tax Credit cost in fiscal year 2016?,” January 2015, at [http://www.cbpp.org/cms/index.cfm?fa=view&id=2992](http://www.cbpp.org/cms/index.cfm?fa=view&id=2992).

\(^11\) Hannah Halbert, _supra_ note 7.

\(^12\) Author estimates of the district impact of an expanded Ohio EITC. Calculation based on 16 percent of the amount claimed in federal EITC and the average amount of the federal EITC credit returned to the district as reported in the Brookings Institution’s EITC Interactive data for Tax Year 2012. Annual EITC amount would vary depending on the number claiming the federal EITC.

\(^13\) Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, _supra_ at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 19
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 19**

According to the most recent data available from the Brookings Institution, 24,190 residents of Senate District 19 claimed the federal EITC.\(^6\) That’s 15% of District tax filers. The average federal EITC in the District was $2,256. In total, residents of Senate District 19, brought back $54,577,198 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

\(^6\) The Brookings Institution, *supra* at note 2.

All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

**A credit that counts for Senate District 19**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 19. If each of the Senate District 19 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $8,732,352 to the district, and an average credit of $361. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:
A credit that counts for working families in Senate District 20
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 20

According to the most recent data available from the Brookings Institution, 28,981 residents of Senate District 20 claimed the federal EITC.\(^6\) That’s 19% of District tax filers. The average federal EITC in the District was $2,265. In total, residents of Senate District 20, brought back $65,646,860 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

**A credit that counts for Senate District 20**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 20. If each of the Senate District 20 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,503,498 to the district, and an average credit of $362. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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<thead>
<tr>
<th>EITC households</th>
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The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 21**

According to the most recent data available from the Brookings Institution, 47,122 residents of Senate District 21 claimed the federal EITC.\(^6\) That’s 34% of District tax filers. The average federal EITC in the District was $2,735. In total, residents of Senate District 21, brought back $128,870,673 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

**A credit that counts for Senate District 21**
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 21. If each of the Senate District 21 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $20,619,308 to the district, and an average credit of $438.\(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

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The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

### The federal EITC in Senate District 22

According to the most recent data available from the Brookings Institution, 24,591 residents of Senate District 22 claimed the federal EITC.\(^6\) That’s 15% of District tax filers. The average federal EITC in the District was $2,154. In total, residents of Senate District 22, brought back $52,960,546 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(24,591\) EITC households

\(15\)% Percentage of all filers claiming EITC

\(52,960,546\) Total refunds to district

\(2,154\) Average household refund
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^{10}\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^{11}\)

**A credit that counts for Senate District 22**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 22. If each of the Senate District 22 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $8,473,687 to the district, and an average credit of $345.\(^{12}\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^{13}\)

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The federal EITC in Senate District 23
According to the most recent data available from the Brookings Institution, 33,376 residents of Senate District 23 claimed the federal EITC. That’s 21% of District tax filers. The average federal EITC in the District was $2,335. In total, residents of Senate District 23, brought back $77,929,820 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.

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3 Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

**A credit that counts for Senate District 23**

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 23. If each of the Senate District 23 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $12,468,771 to the district, and an average credit of $374. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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Ohio EITC Impact: 
A credit that counts for working families in Senate District 24
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 24**
According to the most recent data available from the Brookings Institution, 14,734 residents of Senate District 24 claimed the federal EITC.\(^6\) That’s 8% of District tax filers. The average federal EITC in the District was $1,908. In total, residents of Senate District 24, brought back $28,114,571 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^3\) Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at [http://bit.ly/1MtUZbh](http://bit.ly/1MtUZbh).


\(^5\) The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

\(^6\) The Brookings Institution, supra at note 2.


www.policymattersohio.org
All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 24
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 24. If each of the Senate District 24 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $4,498,331 to the district, and an average credit of $305. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
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<tr>
<th>A credit that counts for Senate District 24</th>
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<td>$4,498,331 Total state EITC refund at 16 percent</td>
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8 Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:  
A credit that counts for working families in Senate District 25  
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year. Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings. The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.

The federal EITC in Senate District 25  
According to the most recent data available from the Brookings Institution, 32,585 residents of Senate District 25 claimed the federal EITC. That’s 20% of District tax filers. The average federal EITC in the District was $2,404. In total, residents of Senate District 25, brought back $78,338,710 in federal EITC to their communities.

Ohio’s EITC does little to help working families  
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.

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3 Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\textsuperscript{10} Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\textsuperscript{11}

\textbf{A credit that counts for Senate District 25}
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 25. If each of the Senate District 25 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $12,534,194 to the district, and an average credit of $385.\textsuperscript{12} A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\textsuperscript{13}

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Ohio EITC Impact:
A credit that counts for working families in Senate District 26
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 26**

According to the most recent data available from the Brookings Institution, 27,336 residents of Senate District 26 claimed the federal EITC.\(^6\) That’s 18% of District tax filers. The average federal EITC in the District was $2,211. In total, residents of Senate District 26, brought back $60,445,187 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation.\(^8\) Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line.\(^9\) Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

![A credit that counts for Senate District 26](image)

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<td>$9,671,230</td>
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\(^10\) Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\(^11\)

A credit that counts for Senate District 26

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 26. If each of the Senate District 26 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,671,230 to the district, and an average credit of $354. \(^12\) A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\(^13\)

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\(^8\) Ohio Department of Taxation, Gary Gundmundson, Communications Director, email to author December 5, 2014. Total of those claiming the Ohio EITC on their Ohio return for Tax Year 2013, returns filed in 2014.


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### The federal EITC in Senate District 27

According to the most recent data available from the Brookings Institution, 18,600 residents of Senate District 27 claimed the federal EITC.\(^6\) That’s 12% of District tax filers. The average federal EITC in the District was $2,019. In total, residents of Senate District 27, brought back $37,545,903 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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A credit that counts for Senate District 27
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 27. If each of the Senate District 27 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $6,007,344 to the district, and an average credit of $323. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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<tr>
<th>EITC households</th>
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### The federal EITC in Senate District 28

According to the most recent data available from the Brookings Institution, 34,526 residents of Senate District 28 claimed the federal EITC.⁶ That’s 22% of District tax filers. The average federal EITC in the District was $2,341. In total, residents of Senate District 28, brought back $80,837,140 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁷

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A credit that counts for Senate District 28
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 28. If each of the Senate District 28 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $12,933,942 to the district, and an average credit of $375. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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### The federal EITC in Senate District 29

According to the most recent data available from the Brookings Institution, 29,286 residents of Senate District 29 claimed the federal EITC.\(^6\) That’s 18% of District tax filers. The average federal EITC in the District was $2,227. In total, residents of Senate District 29, brought back $65,221,275 in federal EITC to their communities.

### Ohio’s EITC does little to help working families

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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, *supra* at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact: 
A credit that counts for working families in Senate District 30
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.¹ The credit helps low-wage workers make ends meet and gives our state economy a boost.³ Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.⁴ The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.⁵

The federal EITC in Senate District 30
According to the most recent data available from the Brookings Institution, 28,120 residents of Senate District 30 claimed the federal EITC.⁶ That’s 19% of District tax filers. The average federal EITC in the District was $2,138. In total, residents of Senate District 30, brought back $60,107,275 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁷

³ Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at http://bit.ly/1MtUZbh.
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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 30
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 30. If each of the Senate District 30 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $9,617,164 to the district, and an average credit of $342. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

<table>
<thead>
<tr>
<th>EITC households</th>
<th>Total state EITC refund at 16 percent</th>
<th>Average state EITC refund per household at 16 percent</th>
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<td>28,120</td>
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact: 
A credit that counts for working families in Senate District 31
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.¹ The credit helps low-wage workers make ends meet and gives our state economy a boost.³ Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.⁴ The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.⁵

The federal EITC in Senate District 31
According to the most recent data available from the Brookings Institution, 28,887 residents of Senate District 31 claimed the federal EITC.⁶ That’s 18% of District tax filers. The average federal EITC in the District was $2,196. In total, residents of Senate District 31, brought back $63,436,912 in federal EITC to their communities.

Ohio’s EITC does little to help working families
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.⁷

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⁵ The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at http://brook.gs/1wGEZdQ.
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Federal EITC impact for Senate District 31

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<tr>
<td>Percentage of all filers claiming EITC</td>
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<tr>
<td>Average household refund</td>
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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 31
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 31. If each of the Senate District 31 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,149,906 to the district, and an average credit of $351. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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<td>Estimated impact of a 16 percent, refundable, non-capped Ohio EITC</td>
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13 Cost estimate of a 16 percent, refundable, non-capped Ohio EITC for the coming fiscal year. Center on Budget and Policy Priorities, supra at note 11. This includes the value of the existing state EITC.
Ohio EITC Impact:  
A credit that counts for working families in Senate District 32  
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

The federal EITC in Senate District 32  
According to the most recent data available from the Brookings Institution, 28,257 residents of Senate District 32 claimed the federal EITC.\(^6\) That’s 19% of District tax filers. The average federal EITC in the District was $2,228. In total, residents of Senate District 32, brought back $62,947,287 in federal EITC to their communities.

Ohio’s EITC does little to help working families  
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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\(^3\) Research shows that for every dollar received by low- and moderate-income families multiplies between 1.5 to 2 times in its impact on the local economy. See, “The Earned Income Tax Credit: Good for Our Families, Communities and Economy,” The National Community Tax Coalition, January 2012, at [http://bit.ly/1MtUZbh](http://bit.ly/1MtUZbh).


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All told, 574,516 Ohioans claimed just $68,140,497 in reduced state tax liability, according to the Ohio Department of Taxation. Lawmakers recently increased the state EITC to 10 percent of the federal credit, but that increase will benefit relatively few of the lowest-income working Ohioans because of the limitations on the credit. More than 47 percent of poor families in Ohio are also working families. More than a quarter (28.4 percent) of all jobs in Ohio are in occupations with median annual pay that won’t keep a family of four above the poverty line. Ohio’s EITC could be a much more powerful tool for helping working families make ends meet and provide for their children.

Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC. Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.

A credit that counts for Senate District 32
Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 32. If each of the Senate District 32 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,071,566 to the district, and an average credit of $356. A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.

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Ohio EITC Impact:
A credit that counts for working families in Senate District 33
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year.\(^1\) The credit helps low-wage workers make ends meet and gives our state economy a boost.\(^3\) Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings.\(^4\) The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.\(^5\)

**The federal EITC in Senate District 33**
According to the most recent data available from the Brookings Institution, 30,064 residents of Senate District 33 claimed the federal EITC.\(^6\) That’s 20% of District tax filers. The average federal EITC in the District was $2,286. In total, residents of Senate District 33, brought back $68,716,563 in federal EITC to their communities.

**Ohio’s EITC does little to help working families**
In 2013, its debut tax year, Ohio’s state EITC was 5 percent of the federal credit. But not everyone eligible for the federal credit got the state EITC, and many of those who got it didn’t receive the full 5 percent of their federal credit. Unlike the federal credit and most other state credits, Ohio’s EITC cannot exceed what a taxpayer owes in income taxes, and for a taxpayer with income over $20,000, it cannot exceed half of what is owed in income taxes. Because of these limits just 7 percent of the poorest workers – those earning $19,000 or less – see any benefit from the credit, and the benefit is modest.\(^7\)

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5. The Brookings Institution, State Estimates of People and Children Lifted out of Poverty by the EITC and CTC Each Year, 2011-2013, at [http://brook.gs/1wGEZdQ](http://brook.gs/1wGEZdQ).

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Just removing the cap and making the credit refundable would mean an additional 30 percent of Ohio’s poorest workers would receive some benefit from the state EITC.\textsuperscript{10} Bringing Ohio’s credit in line with the average state refundable EITC by eliminating the cap, making it fully refundable, and raising it to 16 percent of the federal credit, would further expand the credit’s reach. At that level, 33 percent of Ohio’s lowest income taxpayers would receive some benefit and the average savings for that group of recipients would increase by $310.\textsuperscript{11}

\textbf{A credit that counts for Senate District 33}

Making these changes to Ohio’s state EITC would substantially benefit residents in Senate District 33. If each of the Senate District 33 residents who claimed a federal credit also received a 16 percent, refundable, non-capped state EITC, the state credit could return $10,994,650 to the district, and an average credit of $366.\textsuperscript{12} A 16 percent, refundable, non-capped state EITC could return as much as $357 million a year to Ohio families.\textsuperscript{13}

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Ohio EITC Impact:
A credit that counts for working families in
Hannah Halbert, Kalitha Williams, Kate Lewis-Lakin

The federal earned income tax credit (EITC) is one of America’s most powerful anti-poverty tools. Nearly one million working Ohioans claimed $2.3 billion in federal EITCs last year. The credit helps low-wage workers make ends meet and gives our state economy a boost. Even though families typically only claim the federal EITC for one or two years at a time, it substantially reduces poverty and boosts earnings. The federal EITC alone has helped 177,000 working Ohioans, including 93,000 children, stay out of poverty each year from 2011-2013, and it eased poverty for many more.

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Ohio’s EITC does little to help working families
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