



## LEAGUE OF WOMEN VOTERS OF NORTH CAROLINA

### LEGISLATIVE UPDATE

*Legislative Update – Action Alert for June 12, 2008*

#### **Urge your State Senator to Support an Increase to North Carolina's Earned Income Tax Credit**

The North Carolina House increased our state refundable Earned Income Tax Credit (EITC) from 3.5% to 5% of the federal credit in their budget that was passed the first week of June. Now, it is the Senate's turn to take action to help North Carolina's working families.

Weakening economic conditions are having a magnified impact on North Carolina's low- and moderate-income families, who were already working hard to make ends meet. Stagnant wages and rising costs of necessities like gas, food, health care and housing, are squeezing hundreds of thousands of North Carolina families and threatening their economic well-being.

Increasing the state EITC is an effective, targeted investment that will provide a much-needed economic stimulus to more than 845,000 low- and moderate-income North Carolina working families who need the help the most. The increase will also boost local economies. A 5% state EITC would circulate \$68.8 million to households in all 100 counties, a \$20.6 million increase above the original credit.

Please urge your state Senator to follow the House's lead and support an increase in the refundable state EITC to 5% of the federal credit. The best way for the Senate to show their support for North Carolina's working families is by including the increase to the state EITC in their upcoming budget proposal.

Supporting organizations:

- AARP North Carolina
- AFL-CIO North Carolina
- NCAE
- NAACP NC
- Action for Children
- North Carolina Council of Churches
- League of Women Voters North Carolina
- North Carolina Justice Center
- EITC-Carolinas
- ACORN
- Self-Help
- Community Reinvestment Association of North Carolina
- Common Sense Foundation
- NC IDA Collaborative and Asset Building Task Force