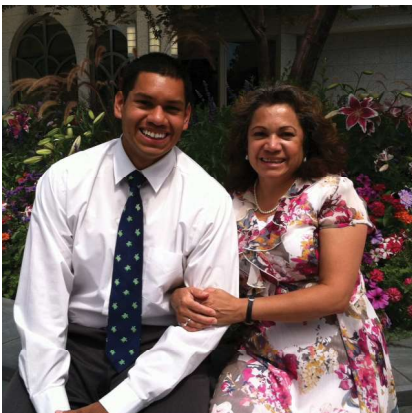


Sharing Their Stories

How the EITC is Helping Utah Families Succeed



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Community Action Partnership of Utah

c/o Work Hive
307 West 200 South #5002
Salt Lake City, Utah 84101
Phone: 801-433-3025

Established in 1994, Community Action Partnership of Utah is a 501c3 nonprofit organization that serves as the statewide association for Utah's Community Action network. The Community Action network envisions an end to poverty in Utah.

Learn more at CAPUtah.org



Voices for Utah Children

747 East South Temple , Suite 100
Salt Lake City, Utah 84102
801-364-1182

Since 1985, Voices for Utah Children has worked to make Utah a place where all children thrive. We start with one basic question: "Is it good for kids?" At Voices for Utah Children, we believe that every child deserves the opportunity to reach his or her full potential.

Learn more at UtahChildren.org



The Secret of Utah's Success

The secret of Utah's success has long been our strong, hardworking families. For many of these families, the secret of *their* success has been the financial boost they get when they file their taxes, thanks to the Earned Income Tax Credit (EITC).

The EITC was created under President Gerald R. Ford in 1975 as a way to support low-wage workers and their children. Its success in promoting work, independence, and family self-sufficiency has made it a bipartisan favorite. In 1986, the EITC was expanded by President Ronald Reagan as part of his historic Tax Reform Act, and every president since has improved and expanded it further. The results have been remarkable. In-depth studies have documented the EITC's effects on both parents and children:

- increased employment and earnings
- reduced welfare dependency
- improved maternal and child health
- enhanced school performance, including high school graduation and college matriculation rates

The EITC's success in helping families succeed has led 26 states to create their own versions of the EITC, and that number grows every year. State EITC legislation passed the Utah House of Representatives in 2013 and 2014, indicating how seriously Utah legislators are considering this proposal.

This booklet shares the stories of hardworking Utah families whose lives have been transformed by the EITC. About 200,000 Utah families receive the EITC every year, nearly 20% of all filers. These families include about 300,000 children. As you read their stories, imagine how many more families will see their lives improve and their children's prospects expand once Utah creates our own state version of the Earned Income Tax Credit.

Emily
Salt Lake County



“Two years ago, my family was in jeopardy of becoming homeless due to job loss until we received the Earned Income Tax Credit. I was a college student raising our little boy, my husband was newly unemployed, and we found ourselves with three weeks to find a new place. With no income and little savings, we knew we needed to file our tax return so that we could use the refund to find housing. We visited a free tax preparer through the Volunteer Income Tax Assistance program who told us that we qualified to receive a tax credit for low-income workers. We learned that the amount of the credit would make up more than half of our refund. This enabled us to put a deposit on an apartment.”

“Receiving the Earned Income Tax Credit was a huge blessing. It made the difference that kept our family from becoming homeless. Since then, I have finished school and my husband found a new job. My family is doing better now, thanks in part to the EITC.”

“The EITC helps millions of families in often small but always significant ways. I am grateful for the supplement it provided to my income and the difference it has made in my kids’ lives.”

- Emily

Jennifer and Roger
Magna



Providing for four growing children while going to college is no easy task, but the hard work will be worth it for Jennifer when she finishes her training to become a surgical technician. Her husband, Roger, drives truck locally full-time and has been a valued employee of the same company for several years. Jennifer works part-time at a dental clinic, volunteers at a free health clinic as a phlebotomist, and attends school at Salt Lake Community College. With all that going on, this Magna couple still makes sure they have time for family with their children ranging in age from 4 to 16. The EITC has been a wonderful blessing for this busy family as it provides some additional financial security when times are tight.

“[The value of the EITC is] feeling financially stable, knowing that I have a backup if I need it and that I can provide my kids with clothes and food since I have that money there.”

– Jennifer

Matt and Cheriee Taylorsville



Matt , Cheriee and their three children, ages 11, 9, and 2, live in a small Taylorsville apartment today but are about to move into their first home. This exciting event comes from years of hard work and saving money. Matt is thrilled to have recently received a promotion at work into a supervisory position which allows Cheriee to be at home for their kids. And the extra financial support they receive through the EITC not only provides a little breathing room in their budget, but has also allowed them to save money for a down payment on a home.

“We are so very grateful [for the EITC]. We try our hardest but live very tightly to our budget. Hopefully we will move up and not need the EITC, but we will always be grateful to feel safe and comfortable knowing we have money in our saving thanks to the EITC.”

– Cheriee

Mike Kearns



Mike, a veteran, and his wife live in Kearns, Utah. Their own children are grown, but they took custody of three cousins of his wife’s whose parents were incarcerated due to drug problems. Mike, who is employed at the Veterans Center at Salt Lake Community College while he is a student there, sees the tremendous value in the EITC, which enables them to better take care of their family members.

“\$200 we can make last over a month, so it’s huge. Every dollar is huge. Like, the 14 year old came up to us last night and says I need some new pants, I need some new socks, and you’re going, where do I get the money for this from? And he does need it, he’s growing, he’s a boy, wearing his stuff out, and so anything helps.”

- Mike

Sean and Brandi Provo



“We lost our home, we lost everything... Unless you’re in a situation like this, you don’t know. Prior to this, we didn’t know what people went through, to be honest. We really did take things like buying our kid a new pair of shoes for granted. It sounds almost cliché, but it’s just the truth. Unless you’re there, you just don’t know. If you’ve never been there, it’s difficult to relate.

“We have eight kids. I’ve had businesses that have succeeded and failed, and we’re just in a down period right now, and any little bit of extra money, it’s really life changing, because when you go from being able to have your kids do sports and pretty much anything to that being not even a possibility, not having that extra money, the EITC means the world to our kids and to us.... it becomes a blessing to us. The things a lot of people take for granted, that’s what we use that money for, shoes, clothes, or activities, things like that.”

– Sean

Ada Provo



Although Ada is technically an “empty nester,” she supports her son in college and tries to help out her older children and her grandchildren as well. After a divorce and a long struggle with a chronic illness, Ada is finally starting to “raise [herself] up financially.” She has been working for a major airline for over a year now and enjoys her job very much. When you talk to Ada you know within a few minutes how important her family is to her and how much their love and support has helped her through the last few difficult years. The EITC she received this year played a big role in her goal to work toward paying off a student loan and some leftover medical bills from her illness.

“With this extra money I received, I hope to pay my school loan back, my medical bills, and give some money to my son for school. I do appreciate the program and people that help me with my taxes and hope in the future to establish myself in a better situation.”

– Ada

Jackie Layton



As an employee of the police department and a single mom of two energetic children, Jackie carries a tremendous amount of responsibility. She feels incredibly fortunate to have the extra financial resources to provide as much as possible to her family to keep them safe and secure. Jackie wants to make sure that her children have access to as many learning opportunities as possible, and the EITC helps her provide those opportunities to her 9 and 7-year-old kids.

“I was blown away last year when I saw the impact the EITC made on my return. It gave me the opportunity to provide lessons and opportunities that I couldn’t previously afford for my children. It’s also such a relief to know I have savings in case of an emergency and to cover unexpected expenses.”

– Jackie

Davin and Shante Layton



Davin and Shante are very busy these days – and about to get even busier. Their 18-month-old son, Rendon, is about to have a little brother or sister! While Shante works hard as a full-time mom, Davin provides for his family as a high school Spanish teacher. This young family from Davis County is doing all they can to budget their money carefully to make sure they can provide the best possible future for their children. This year the EITC and CTC helped them pay off a small student loan and put money in savings to work towards purchasing a home for their growing family.

“Even a couple hundred extra dollars goes a long way, just to have it in savings in case there is a medical emergency...or [to save to] buy a home.”

– Davin

EITC FACTS FOR UTAH

The federal Earned Income Tax Credit was created under President Ford and expanded by Presidents Reagan, Bush, and all subsequent presidents.

- 204,000 Utah households received the federal EITC during 2015 for Tax Year 2014, about one in five tax filers.
- Utah's EITC households include about 200,000 workers and 300,000 children.
- The EITC brought about \$471 million into Utah's economy in 2014.
- Thousands of veterans and military families are helped, at a higher rate than the general population.
- Were it not for the EITC, 67,000 more Utahns would have fallen into poverty in 2014, including 35,000 children. This would have raised Utah's overall poverty rate by about 2.4 percentage points -- about a one-quarter increase. For children, the increase would have amounted to 3.9 percentage points or a 40% increase in child poverty.

