

## **EITC Proposal**

- I. Summary of Mayor Bloomberg's Proposed Expansion of the Federal EITC**
  
- II. Scenarios**
  - a. Unmarried Individuals**
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### Scenario: Unmarried Individuals

- Unmarried male, age 23 who earns \$11,000 per year and meets the work requirement.

**Current Benefit:** \$0

**Proposed Benefit:** \$1,083

+ \$1,083 in incremental EITC

- Non-custodial parent, age 27 who earns \$11,000 per year, meets the work requirement and is current on his child support.

**Current Benefit:** \$86

**Proposed Benefit:** \$1,083

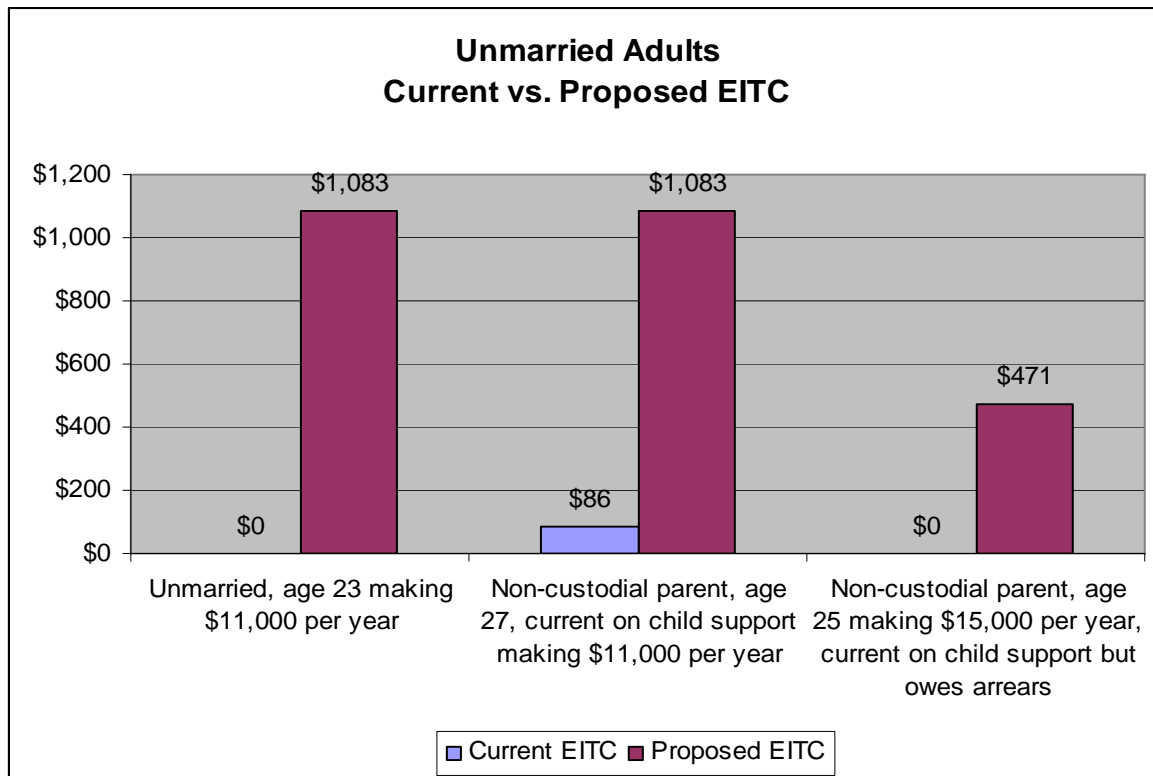
+ \$1,000 in incremental EITC benefit

- Non-custodial parent, age 25 who earns \$15,000 per year, meets the work requirement, is current on his child support but owes arrears.

**Current Benefit:** \$0

**Proposed Benefit:** \$471

+ \$471 in incremental EITC



**Scenario: Married Couples without Children**

- Married couple, without children earning \$11,000 jointly (\$5,500 each) and both meet the work requirement.

**Current Benefit:** \$239

**Proposed Benefit:** \$1,683 (combined)

+ \$1,444 incremental EITC

- Married couple, without children earning \$22,000 jointly (\$11,000 each) and both meet the work requirement

**Current Benefit:** \$0

**Proposed Benefit:** \$2,166 (combined)

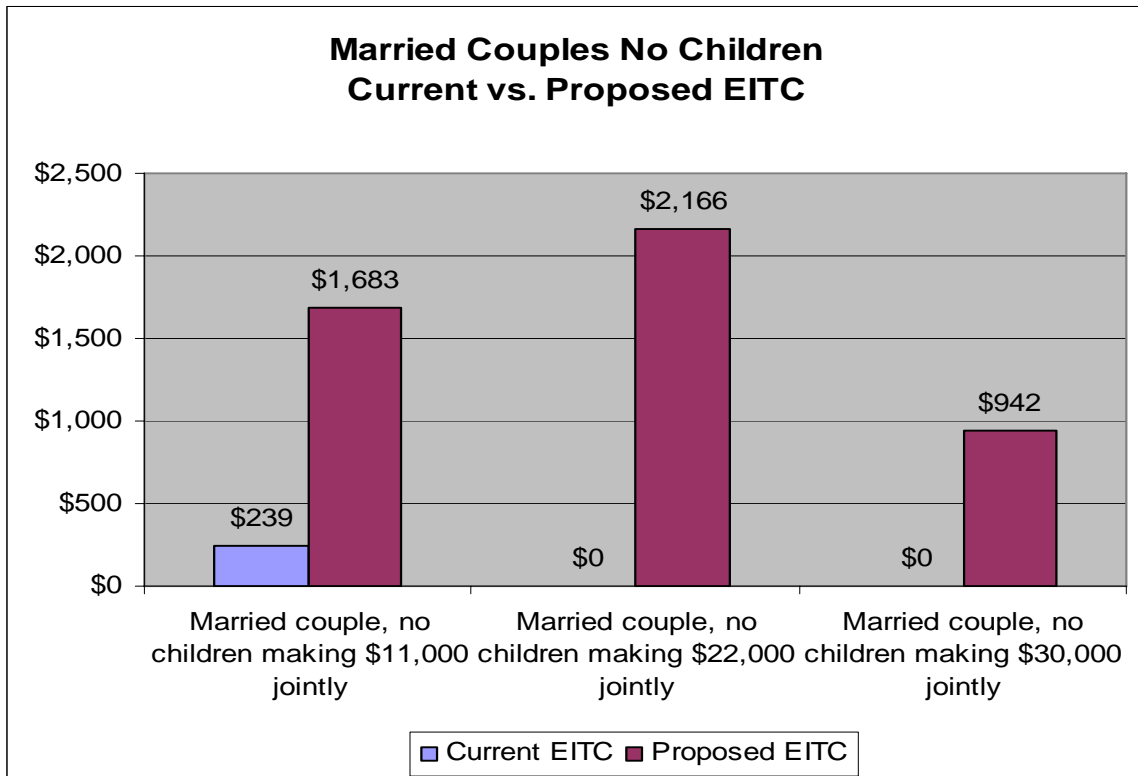
+ \$2,166 incremental EITC

- Married couple, without children earning \$30,000 jointly (\$15,000 each) and both meet the work requirement.

**Current Benefit:** \$0

**Proposed Benefit:** \$942 (combined)

+ \$942 incremental EITC



### Scenario: Married Couples with Children

- Married couple with one child earning \$22,000 jointly (\$11,000 each) and the spouse not claiming the child meets the work requirement.

**Current Benefit:** \$1,918 (combined)  
**Proposed Benefit:** \$3,830 (combined)

- Married couple with one child earning \$44,000 jointly (\$30,000 one spouse and \$14,000 other spouse), assuming the lower earning spouse does not claim the child and meets the work requirement.

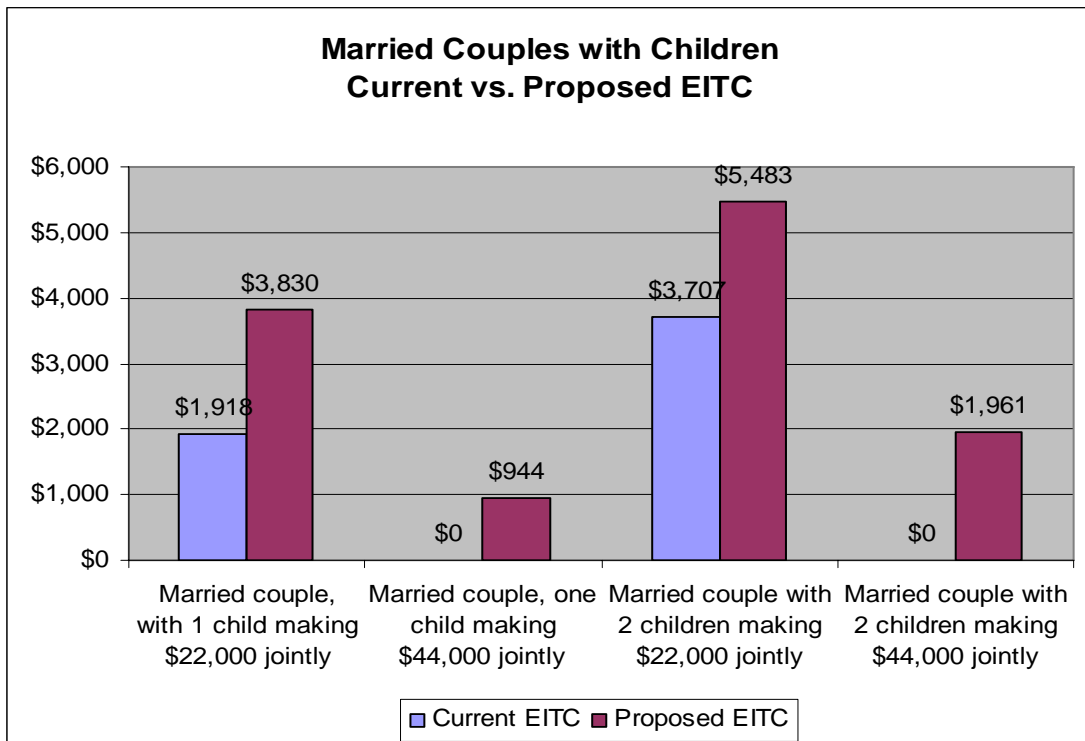
**Current Benefit:** \$0 (combined)  
**Proposed Benefit:** \$944 (combined)

- Married couple with 2 children earning \$22,000 jointly (\$11,000 each) and the spouse not claiming the children meets the work requirement.

**Current Benefit:** \$3,707 (combined)  
**Proposed Benefit:** \$5,483 (combined)

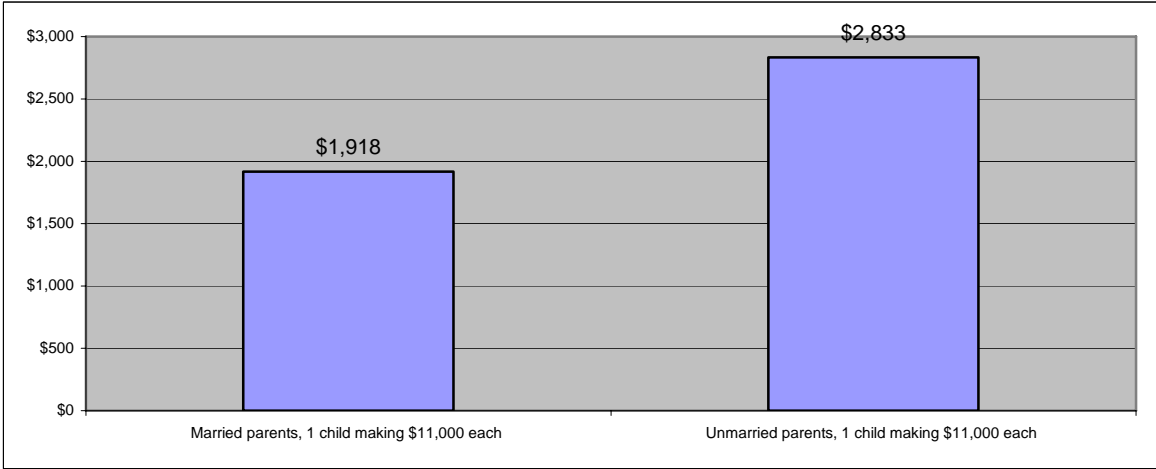
- Married couple with 2 children earning \$44,000 jointly (\$30,000 and \$14,000 each), assuming the lower earning spouse does not claim the children and meets the work requirement.

**Current Benefit:** \$0 (combined)  
**Proposed Benefit:** \$1,961 (combined)

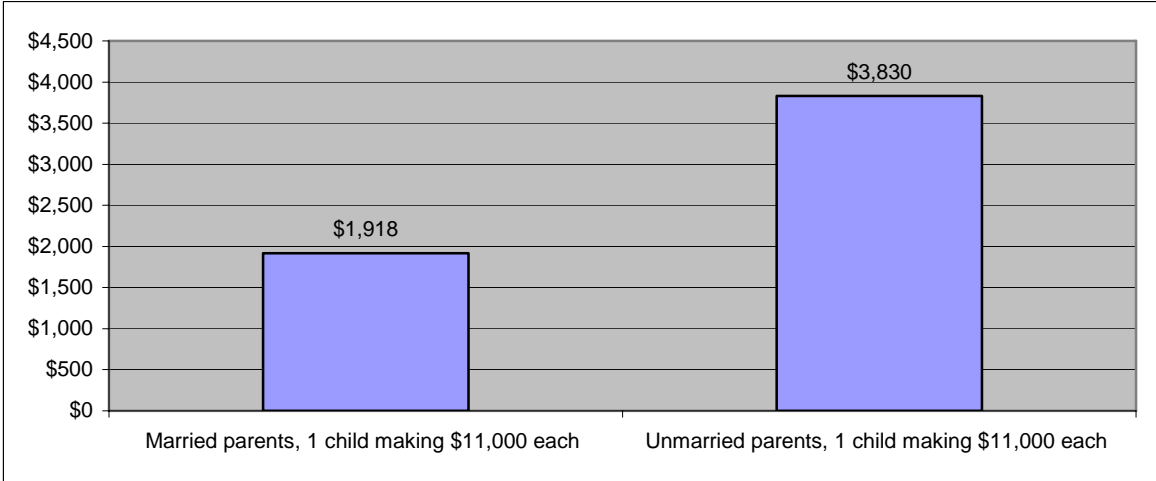


**Scenario: Impact of the Marriage Penalty**

- **Current EITC**



- **EITC proposal with single benefit, without marriage penalty fix**



- **EITC proposal EITC proposal, with marriage penalty fix**

