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means to both fight poverty and boost the economy.

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April 15 — Some in Ohio are working to get the Earned Income Tax Credit to more people as a means to both fight poverty and boost the economy.

Policy Matters Ohio, a left-leaning think tank, presented a proposal to the Ohio House Finance and Appropriations Committee last week to create a state-level EITC, as 24 other states have done.

“An EITC not only helps create a more fair tax structure, it provides a boost to local economies, as EITC dollars are often spent and saved locally,” said David Rothstein, project director at Policy Matters. “This multiplier effect creates local and state tax revenue based on goods and services that are sold.”

Rothstein said a state EITC set at 20 percent of the federal credit would provide 800,000 working families with an average of \$446 annually.

“It’s easy to implement, as simple as adding a line on the tax form.”

“We’re not sure that’s a good idea,” said Greg Lawson, policy analyst with the conservative Buckeye Institute. “This is just going to create another incentive for raising taxes.

“I would make an argument that what’s really going to give people a chance to climb that ladder out of poverty isn’t subsidies from government but essentially is policies that are going to get people jobs.”

Meanwhile, groups such as Ohio United Way are using advertising and volunteer tax preparers to help more people apply for the federal EITC.

“United Ways have found that it has become the largest antipoverty program we

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areas, the self employed, those not proficient in English, or people raising their grandchildren.

But, Sykes said, there is ample concern that Congress in the current discussions of comprehensive tax reform could eye the EITC for cuts. That would impact local economies as well as low-income workers.

“These individuals when they receive it they're not holding it, they're not putting it into a savings account,” she said. “They're spending it because they need it.”

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