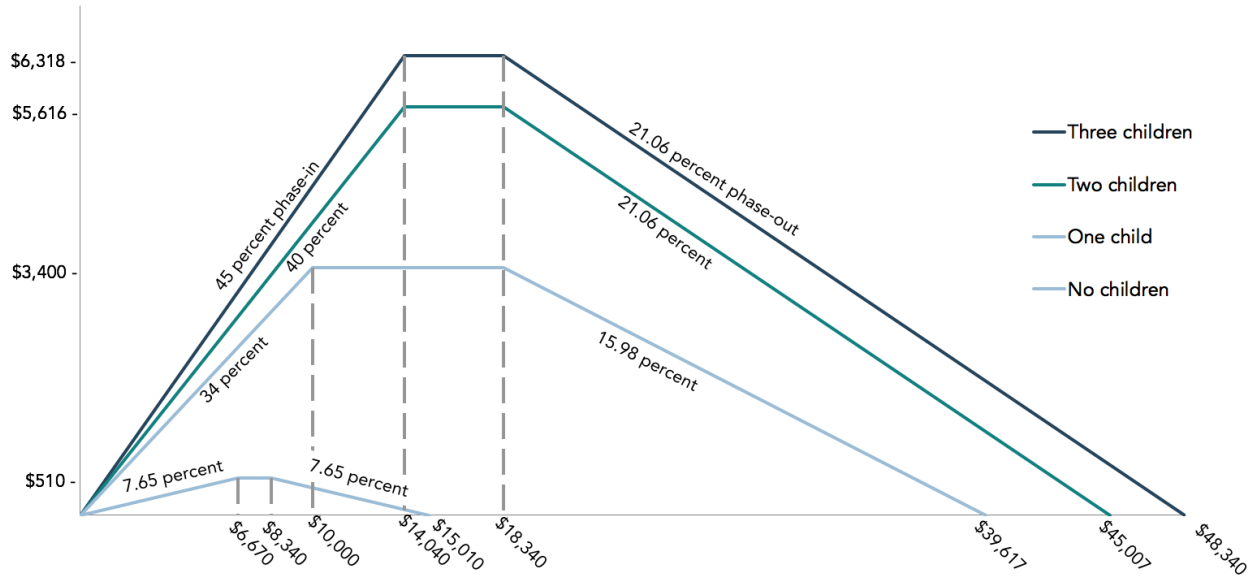


**FIGURE 1**  
**Earned Income Tax Credit**  
**2017**



Credit amount

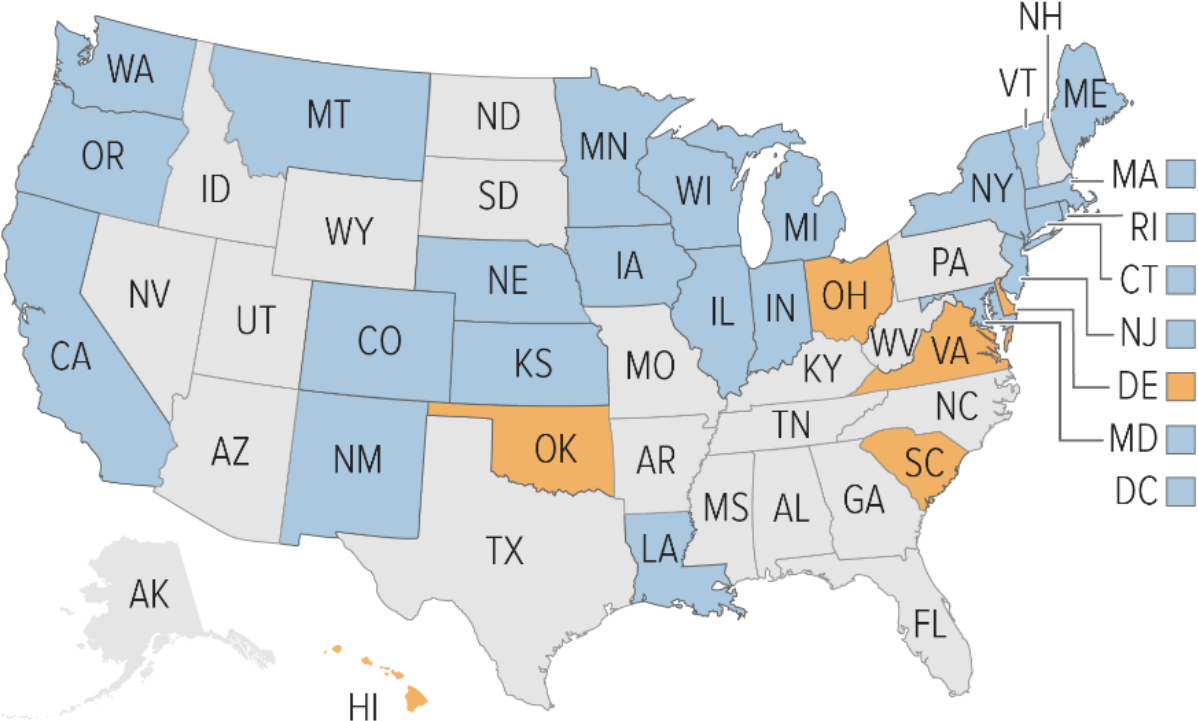


Source: Tax Policy Center, IRS Rev. Proc. 2016-55.

Note: Assumes all income comes from earnings. Amounts are for taxpayers filing a single or head-of-household tax return. For married couples filing a joint tax return, the credit begins to phase out at income \$5,590 higher than shown.

# 29 States and DC Have Enacted Earned Income Tax Credits (EITCs), 2017

- States with refundable\* EITCs (24)
- States with non-refundable EITCs (6)



\*Refundable EITCs give working households the full value of the credit they earn even if it exceeds their income tax liability.

Source: CBPP analysis

State EITC Programs -- 2016

State	Percentage of Federal Credit	Refundable?
California	85% of federal credit, up to 50% of the federal phase-in range	Yes
Colorado	10%	Yes
Connecticut	27.5%	Yes
Delaware	20%	No
District of Columbia <sup>a</sup>	40%/100%	Yes
Illinois	10%	Yes
Indiana <sup>b</sup>	9%	Yes
Iowa	15%	Yes
Kansas	17%	Yes
Louisiana	3.5%	Yes
Maine	5%	Yes
Maryland <sup>c</sup>	26%	Yes
Massachusetts	23%	Yes
Michigan	6%	Yes
Minnesota <sup>d</sup>	Avg. 34%	Yes
Nebraska	10%	Yes
New Jersey	35%	Yes
New Mexico	10%	Yes
New York	30%	Yes
Ohio <sup>e</sup>	5%	No
Oklahoma	5%	No
Oregon <sup>f</sup>	8%/11%	Yes
Rhode Island	15%	Yes
Vermont	32%	Yes
Virginia	20%	No
Washington <sup>g</sup>	10% (when implemented)	Yes
Wisconsin	4% - one child 11% - two children 34% - three children No credit- childless workers	Yes

Notes

<sup>a</sup> The District of Columbia now offers a credit equal to 100 percent of the federal EITC to adults without dependent children with incomes up to twice the poverty line (for an individual).

<sup>b</sup> Indiana decoupled from federal provisions expanding the EITC for families with three or more children and raising the income phase-out for married couples.

<sup>c</sup> Maryland's refundable EITC will reach 28 percent of the federal credit by tax year 2018. The state also offers a non-refundable EITC set at 50 percent of the federal credit. Taxpayers in effect may claim either the refundable credit or the non-refundable credit, but not both.

<sup>d</sup> Minnesota's credit for families with children, unlike the other credits shown in this table, is structured as a percentage of income rather than a percentage of the federal credit. It does not include the federal EITC's features of a larger credit for families with three or more children or higher income phase-out for married couples. The average given here reflects total projected state spending for the Working Family Credit divided by projected federal spending on the EITC in Minnesota as modeled by Minnesota's House Research Department; this average fluctuates from year to year.

<sup>e</sup> Ohio's EITC is non-refundable and limited to half of income taxes owed on income above \$20,000.

<sup>f</sup> Oregon's EITC is set to expire at the end of tax year 2019. In 2016, lawmakers increased the credit for workers with children 3 years and younger to 11 percent of the federal credit.

<sup>g</sup> Washington's EITC has never been implemented, but would likely be worth 10 percent of the federal credit or \$50, whichever is greater.

From Center for Budget and Policy Priorities <https://www.cbpp.org/research/state-budget-and-tax/states-can-adopt-or-expand-earned-income-tax-credits-to-build-a>

### History of Vermont Earned Income Tax Credit

Tax Year	Vermont EITC Rate	Income Limit *	Max. Federal Credit	Max. Vermont Credit	No. of Filers	Federal Benefit	Vermont Benefit	Avg. Vermont Credit	Avg. Total Credit
1988	23%	18,576	874	201	15,700	7,943,478	1,827,000	116	620
1989	25%	19,340	912	228	17,000	9,004,000	2,251,000	132	660
1990	28%	20,264	954	267	18,300	10,064,286	2,818,000	154	704
1991	28%	21,250	2,021	566	21,300	16,107,143	4,510,000	212	969
1992	28%	22,370	2,211	619	23,000	19,400,000	5,432,000	236	1,079
1993	28%	23,050	2,364	662	24,250	22,285,714	6,240,000	257	1,175
1994	25%	25,296	2,528	632	33,975	33,928,000	8,482,000	250	1,250
1995	25%	26,673	3,112	778	36,691	42,276,000	10,569,000	288	1,440
1996	25%	28,495	3,556	889	34,737	46,172,000	11,543,000	332	1,660
1997	25%	29,290	3,656	914	34,845	48,204,000	12,051,000	346	1,730
1998	25%	30,095	3,756	939	33,200	47,800,000	11,950,000	360	1,800
1999	25%	30,580	3,816	954	31,004	45,749,272	11,437,318	369	1,844
2000	32%	31,152	3,888	1,244	28,839	43,135,466	13,803,349	479	1,974
2001	32%	32,121	4,008	1,283	30,020	44,763,475	14,324,312	477	1,968
2002	32%	33,178	4,140	1,325	34,035	52,440,254	16,780,881	493	2,034
2003	32%	33,692	4,204	1,345	35,102	53,996,256	17,278,802	492	2,031
2004	32%	34,458	4,300	1,376	35,438	55,233,434	17,674,699	499	2,057
2005	32%	35,263	4,400	1,408	36,106	57,324,875	18,343,960	508	2,096
2006	32%	36,348	4,536	1,452	37,214	59,648,088	19,087,388	513	2,116
2007	32%	37,783	4,716	1,509	38,943	63,423,753	20,295,601	521	2,150
2008	32%	38,646	4,824	1,544	40,086	66,662,388	21,331,964	532	2,195
2009	32%	43,279	5,657	1,810	44,332	79,083,103	25,306,593	571	2,355
2010	32%	43,352	5,666	1,813	44,598	79,284,409	25,371,011	569	2,347
2011	32%	43,398	5,751	1,840	44,908	80,518,797	25,766,015	574	2,367
2012	32%	45,060	5,891	1,885	45,172	82,723,972	26,471,671	586	2,417
2013	32%	46,227	6,044	1,934	44,991	85,149,269	27,247,766	606	2,498
2014	32%	46,997	6,143	1,966	44,131	84,165,153	26,932,849	610	2,517
2015	32%	47,747	6,242	1,997	44,201	85,072,422	27,223,175	616	2,541
2016	32%	47,955	6,269	2,006					
2017	32%	48,340	6,318	2,022					

\* Income limit varies by family size. The income limit in this column is for the single filer with the largest number of children recognized in the tax year with a single filer

**Changes**

**1994** Credit available to filers without qualifying children

**2002** Credit expanded to taxpayers without children at reduced income (\$9,000) and benefit levels.

Beginning in 2002, the values of the beginning and ending points of the phase-out range were increased for married taxpayers filing jointly. The values for these taxpayers were \$1,000 higher than the listed values from 2002-2004, \$2,000 higher from 2005-2007, \$3,000 higher in 2008, \$5,000 higher in 2009, \$5,010 higher in 2010, \$5,080 higher in 2011 and \$5,210 higher in 2012. \$5340 in 2013, \$5,430 in 2014, \$5,520 higher in 2015 \$5,540 in 2016, \$5,590 in 2017

**2009** Credit increased for family with more than 2 qualifying children

## History of Vermont Earned Income Tax Credit – Sources

Vermont Tax Department, 1/9/03; U.S. Master Tax Guide; Urban Institute

1975-2003: Joint Committee on Taxation; Ways and Means Committee, 2004

Green Book.

2004-2009: Internal Revenue Service, Form 1040 Instructions.

2010: Internal Revenue Service, Revenue Procedure 2009-50, downloaded

October 21, 2009 from <http://www.irs.gov/pub/irs-drop/rp-09-50.pdf>.

2011: Internal Revenue Service, Revenue Procedure 2011-12 downloaded

January 13, 2011 from <http://www.irs.gov/pub/irs-drop/rp-11-12.pdf>.

2012: Internal Revenue Service, Revenue Procedure 2011-52 downloaded

January 10, 2012 from <http://www.irs.gov/pub/irs-drop/rp-11-52.pdf>.

Updated 8/17 participation data from VT Tax Statistics

2012-2016 parameters from <http://www.taxpolicycenter.org>

2017 estimated parameters from <https://taxfoundation.org/2017-tax-brackets>

## Earned Income Tax Credit Parameters, 1975-2016

[Dollar amounts unadjusted for inflation]

Calendar year	Credit rate (percent)	Minimum income for maximum credit	Maximum credit	Phaseout rate (percent)	Phaseout range [1]	
					Beginning income	Ending income
2016						
No children	7.65	6,610	506	7.65	8,270	14,880
One child	34	9,920	3,373	15.98	18,190	39,296
Two children	40	13,931	5,572	21.06	18,190	44,648
Three children	45	13,930	6,269	21.06	18,190	47,955
2015						
No children	7.65	6,580	503	7.65	8,240	14,820
One child	34	9,880	3,359	15.98	18,110	39,131
Two children	40	13,870	5,548	21.06	18,110	44,454
Three children	45	13,870	6,242	21.06	18,110	47,747
2014						
No children	7.65	6,480	496	7.65	8,110	14,590
One child	34	9,720	3,305	15.98	17,830	38,511
Two children	40	13,650	5,460	21.06	17,830	43,756
Three children	45	13,650	6,143	21.06	17,830	46,997
2013						
No children	7.65	6,370	487	7.65	7,970	14,340
One child	34	9,560	3,250	15.98	17,530	37,870
Two children	40	13,430	5,372	21.06	17,530	43,038
Three children	45	13,430	6,044	21.06	17,530	46,227
2012						
No children	7.65	6,210	475	7.65	7,770	13,980
One child	34	9,320	3,169	15.98	17,090	36,920
Two children	40	13,090	5,236	21.06	17,090	41,952
Three children	45	13,090	5,891	21.06	17,090	45,060
2011						
No children	7.65	6,070	464	7.65	7,590	13,660
One child	34	9,100	3,094	15.98	16,690	36,052
Two children	40	12,780	5,112	21.06	16,690	40,964
Three children	45	12,780	5,751	21.06	16,690	43,998
2010						
No children	7.65	5,980	457	7.65	7,480	13,460
One child	34	8,970	3,050	15.98	16,450	35,535
Two children	40	12,590	5,036	21.06	16,450	40,363
Three children	45	12,590	5,666	21.06	16,450	43,352
2009						
No children	7.65	5,970	457	7.65	7,470	13,440
One child	34	8,950	3,043	15.98	16,420	35,463
Two children	40	12,570	5,028	21.06	16,420	40,295
Three children	45	12,570	5,657	21.06	16,420	43,279
2008						
No children	7.65	5,720	438	7.65	7,160	12,880
One child	34	8,580	2,917	15.98	15,740	33,995
Two children	40	12,060	4,824	21.06	15,740	38,646
2007						
No children	7.65	5,590	428	7.65	7,000	12,590
One child	34	8,390	2,853	15.98	15,390	33,241
Two children	40	11,790	4,716	21.06	15,390	37,783
2006						
No children	7.65	5,380	412	7.65	6,740	12,120
One child	34	8,080	2,747	15.98	14,810	32,001
Two children	40	11,340	4,536	21.06	14,810	36,348
2005						
No children	7.65	5,220	399	7.65	6,530	11,750
One child	34	7,830	2,662	15.98	14,370	31,030
Two children	40	11,000	4,400	21.06	14,370	35,263
2004						
No children	7.65	5,100	390	7.65	6,390	11,490
One child	34	7,660	2,604	15.98	14,040	30,338
Two children	40	10,750	4,300	21.06	14,040	34,458
2003						
No children	7.65	4,990	382	7.65	6,240	11,230
One child	34	7,490	2,547	15.98	13,730	29,666
Two children	40	10,510	4,204	21.06	13,730	33,692
2002						
No children	7.65	4,910	376	7.65	6,150	11,060
One child	34	7,370	2,506	15.98	13,520	29,201
Two children	40	10,350	4,140	21.06	13,520	33,178
2001						

Calendar year	Credit rate (percent)	Minimum income for maximum credit	Maximum credit	Phaseout rate (percent)	Phaseout range [1]	
					Beginning income	Ending income
No children	7.65	4,760	364	7.65	5,950	10,710
One child	34	7,140	2,428	15.98	13,090	28,281
Two children	40	10,020	4,008	21.06	13,090	32,121
2000						
No children	7.65	4,610	353	7.65	5,770	10,380
One child	34	6,920	2,353	15.98	12,690	27,413
Two children	40	9,720	3,888	21.06	12,690	31,152
1999						
No children	7.65	4,530	347	7.65	5,670	10,200
One child	34	6,800	2,312	15.98	12,460	26,928
Two children	40	9,540	3,816	21.06	12,460	30,580
1998						
No children	7.65	4,460	341	7.65	5,570	10,030
One child	34	6,680	2,271	15.98	12,260	26,473
Two children	40	9,390	3,756	21.06	12,260	30,095
1997						
No children	7.65	4,340	332	7.65	5,430	9,770
One child	34	6,500	2,210	15.98	11,930	25,750
Two children	40	9,140	3,656	21.06	11,930	29,290
1996						
No children	7.65	4,220	323	7.65	5,280	9,500
One child	34	6,330	2,152	15.98	11,610	25,078
Two children	40	8,890	3,556	21.06	11,610	28,495
1995						
No children	7.65	4,100	314	7.65	5,130	9,230
One child	34	6,160	2,094	15.98	11,290	24,396
Two children	36	8,640	3,110	20.22	11,290	26,673
1994						
No children	7.65	4,000	306	7.65	5,000	9,000
One child	26.3	7,750	2,038	15.98	11,000	23,755
Two children	30	8,425	2,528	17.68	11,000	25,296
1993						
One child	18.5	7,750	1,434	13.21	12,200	23,050
Two children	19.5	7,750	1,511	13.93	12,200	23,050
1992						
One child	17.6	7,520	1,324	12.57	11,840	22,370
Two children	18.4	7,520	1,384	13.14	11,840	22,370
1991						
One child	16.7	7,140	1,192	11.93	11,250	21,250
Two children	17.3	7,140	1,235	12.36	11,250	21,250
1990	14	6,810	953	10	10,730	20,264
1989	14	6,500	910	10	10,240	19,340
1988	14	6,240	874	10	9,840	18,576
1987	14	6,080	851	10	6,920	15,432
1985-86	11	5,000	550	12.22	6,500	11,000
1979-84	10	5,000	500	12.5	6,000	10,000
1975-78	10	4,000	400	10	4,000	8,000

[1] Beginning in 2002, the values of the beginning and ending points of the phase-out range were increased for married taxpayers filing jointly. The values for these taxpayers were \$1,000 higher than the listed values from 2002-2004, \$2,000 higher from 2005-2007, \$3,000 higher in 2008, \$5,000 higher in 2009, \$5,010 higher in 2010, \$5,080 higher in 2011, \$5,210 higher in 2012, \$5,340 higher in 2013, \$5,430 higher in 2014, and \$5,520 higher in 2015.

Sources:

1975-2003: Joint Committee on Taxation; Ways and Means Committee, 2004 Green Book.  
2004-2009: Internal Revenue Service, Form 1040 Instructions.  
2010-2013: Internal Revenue Service, Revenue Procedures from various years.  
2014: Internal Revenue Service, Revenue Procedure 2013-35 downloaded January 23, 2014 from <http://www.irs.gov/pub/irs-drop/rp-13-35.pdf>.  
2015: Internal Revenue Service, Revenue Procedure 2014-61 downloaded November 11, 2014 from <http://www.irs.gov/pub/irs-drop/rp-14-61.pdf>.  
2016: Internal Revenue Service, Revenue Procedure 2015-53 downloaded January 5, 2016 from <https://www.irs.gov/pub/irs-drop/rp-15-53.pdf>.