## **AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS**



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## LEGISLATIVE**ALERT**

EXECUTIVE COUNCIL

RICHARD L. TRUMKA PRESIDENT ELIZABETH H. SHULER

SECRETARY-TREASURER

TEFERE GEBRE EXECUTIVE VICE PRESIDENT

July 23, 2014

Dear Representative,

On behalf of the 12.5 million members of the AFL-CIO and our community affiliate Working America, I urge you to oppose the Child Tax Credit Improvement Act of 2014 (H.R. 4935). While the legislation expands eligibility for the Child Tax Credit (CTC) to more families by raising the threshold to higher income families making up to \$150,000 per year, it fails to permanently extend an expiring provision that allows low income families, some earning as little as \$3,000 per year, to access the credit. This lopsided approach ignores the very children the tax credit was designed to protect.

The CTC is a successful anti-poverty program that helps working families offset the costs of raising a child. Over 60 percent of families using the refundable CTC earn less than \$25,000 per year. Nearly half of these families are raising children on wages of \$10 an hour or less. Failing to permanently extend access for low-income families could take money out of the pockets of working families and hurt children at a time when child poverty is at its highest level in decades.

In addition to increasing child poverty, the legislation takes a vicious jab at the children of immigrants. Prior to floor consideration, the House Rules Committee added language that would deny the refundable portion of the credit to immigrants who file taxes with an IRS-issued Individual Tax Identification Number (ITIN) and are currently eligible. Changing the eligibility requirements for the refundable portion will deny the credit to over two million working families and harm up to 5.5 million children, 4.5 million of whom are U.S. citizens.

The AFL-CIO urges you to preserve eligibility for the CTC for all low-income families and vote NO on H.R. 4935.

Sincerely,

William Samuel, Director Government Affairs Department