



A CT EARNED INCOME TAX CREDIT: IMPACT ON CHILDHOOD WELL-BEING

Childhood well-being is significantly impacted by how much the parents earn. Studies found that childhood poverty slows academic achievement and reduces their future earnings.

Boosting the incomes of the poorest families had considerable impact on their children's academic achievements and increased their children's future earnings. The Center on Budget and Policy Priorities reported on a study conducted by Duncan and Magnuson that found:

Children who were 6 or younger when their families, whose earnings were below \$25,000, received a \$3,000 annual boost earned 17 percent more as adults, and worked more hours after age 25 than children whose families in the same financial situation did not receive the income boost. For families who made over \$25,000, and received a \$3,000 boost the children did not experience the same increase in adult earnings.

A CT EITC will reward hard working families and serve to improve the future economic success of children living in poverty. The EITC is most helpful to families with young children to address the chronic poverty occurring in early childhood. A short-term budget solution that eliminates funding for programs like EITCs may cause long-term consequences for children living in poverty.

Pass a CT EITC in the 2011 Session!

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