



## **CONNECTICUT CATHOLIC CONFERENCE**

134 FARMINGTON AVENUE, HARTFORD, CONNECTICUT 06105

### **Testimony Human Services Committee February 27, 2007**

**S.B. 146 An Act Creating An Earned Income Credit Against The Personal  
Income Tax**

**H.B. 6649 An Act Concerning A State Earned Income Tax Credit**

The Connecticut Catholic Conference, representing the Catholic Bishops of Connecticut, would like to express its support for S.B. 146 and H.B. 6649. These bills would establish a State refundable earned income tax credit equal to 20% of a person's federal earned income tax credit (EITC). This legislation would supplement the federal EITC, which has proven to be a positive means for assisting low-income working families.

Providing tax relief to low-wage earners assists them in rising above the poverty level in a way that respects their human dignity. The earned income tax credit rewards the work ethic, reduces child poverty, and allows those struggling financially in our society to meet their basic needs.

Assisting those most in need within our State is never an easy challenge. Our urge to help is many times limited by available financial resources, conflicting interests, and confusion over the best way to proceed. The earned income tax credit helps relieve some of that confusion. It has a proven track record on the federal and state level in achieving its goals. Poor working families throughout our nation are benefiting from this program. This is one of the primary reasons the United States Conference of Catholic Bishops has long supported the EITC on the federal level.

Connecticut is a State with a diverse economic composition. We have extremely wealthy and poor communities within our borders. The cost of living is higher than other parts of our nation and job growth is minimal. It is very difficult for a low-income family to rise out of poverty in our State. The earned income tax credit will make that struggle for financial survival and independence a little more bearable and possibly even winnable.

The General Assembly will be forced to make some difficult decisions over the next several months concerning tax policy and expenditures. The Connecticut Catholic Conference urges the members of this committee to support an earned income tax credit now and as it progresses through the legislative process. We need to fight poverty in a way that respects human dignity and empowers people to help themselves. The earned income tax credit is a positive step in that direction.

Deacon David Reynolds