



CONNECTICUT  
ASSOCIATION  
of **NONPROFITS**

*...to serve, strengthen  
and support Connecticut's  
nonprofit community.*

Testimony to the Human Services Committee  
2/27/07 Public Hearing – written record only

In support of Bills:

#146: AAC an Earned Income Tax Credit Against the Person Income Tax  
#6649: AAC an Earned Income Tax Credit

**BY NORA DUNCAN, PUBLIC POLICY SPECIALIST**

The Connecticut Association of Nonprofits represents over 500 nonprofit organizations in CT, approximately 300 of which are state funded. Many of our members are supportive of a State Earned Income Tax Credit (EITC) that would provide tax relief to low-wage working families. The State EITC would help them close the gap between what they earn and what they need to make ends meet.

A State EITC would:

- **Make Work Pay** – the credit only goes to working people.
- **Help Low-Wage Earners** – only those earning on the low end can take advantage of the credit – that means a family of four earning no more than \$38,000. A family could receive as much as \$900.
- **Pump Money into the Economy** – EITC filers spend the refund in their local communities on basic household necessities.
- **Reduce Poverty** – a self explanatory goal of the nonprofit sector and the General Assembly.
- **Make the Tax System Fairer** – Connecticut workers earning less than \$21,000 pay on average more than twice the rate on combined sales, property, excise, and income taxes than the wealthiest 1% of state residents.

Please consider and support these important bills and feel free to contact me to be put in touch with a nonprofit organization in your community that can provide additional details.

Thank you.