

CONNECTICUT CATHOLIC CONFERENCE

134 FARMINGTON AVENUE, HARTFORD, CONNECTICUT 06105

Testimony
Human Services Committee
February 21, 2008

S.B. 163 An Act Concerning A State Earned income Tax Credit

Good morning. My name is Michael Culhane and I am the Executive Director of the Connecticut Catholic Conference. The Connecticut Catholic Conference, representing the Catholic Bishops of Connecticut, would like to express its support for S.B. 163. This bill 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.

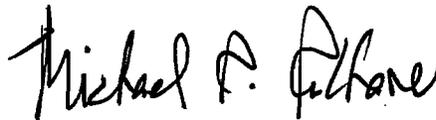
Assisting those most in need within our State has never been an easy challenge. Our urge to help is many times limited by available financial resources, conflicting interests, and confusion over the best way to proceed. The earned income tax credit helps relieve and reduce some of that confusion and 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 the 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 make some difficult decisions during this legislative session 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 and the earned income tax credit is a positive step in that direction.

In conclusion, I would also like to note that last year Archbishop Mansell of Hartford strongly supported the concept of an Earned Income Tax Credit in Connecticut and he issued a statement to that effect. I have attached a copy of his comments to my testimony for your review as the Archbishop continues to steadfastly endorse an EITC in Connecticut.

Thank you for your attention.

A handwritten signature in black ink that reads "Michael C. Culhane". The signature is written in a cursive style with a large, stylized initial "M".

Michael C. Culhane
Executive Director
Connecticut Catholic Conference