Legislation Text

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Recognizing January 27, 2017 as "Earned Income Tax Credit ('EITC') Awareness Day" in the City of Philadelphia.

WHEREAS, Initially enacted in 1975, the Earned Income Tax Credit ("EITC") is a refundable tax credit implemented by the federal Internal Revenue Service that is available to low-to-moderate income individuals and families; and

WHEREAS, Many people believe that the answer for pulling the working poor out of poverty is a major and carefully crafted expansion of the EITC; and

WHEREAS, The City of Philadelphia has one of the highest poverty rates of any major United States city with approximately 400,000 of its 1.5 million residents living in poverty; and

WHEREAS, Although 188,000 Philadelphians received an EITC refund last year, there were still 40,000 eligible Philadelphians who did not; and

WHEREAS, With an average refund of \$2,400 per return, more than \$100 million is being left on the table every year; and

WHEREAS, It is the policy of the City of Philadelphia to enable all persons who live in Philadelphia and who are potentially eligible for the EITC to apply and receive the maximum credit to which they are entitled; and

WHEREAS, On July 19, 2014, the Council of the City of Philadelphia enacted legislation requiring certain employers and certain persons or businesses that hire non-payroll employees to provide notice concerning the EITC and requiring the Department of Revenue to report periodically on the implementation of and results obtained from such a policy; and

WHEREAS, For the past 14 years, the Campaign for Working Families ("CWF") managed by the Greater Philadelphia Urban Affairs Coalition, and their partners have promoted the free filing of the EITC by providing, amongst other things, free tax preparation and asset building services so families can maximize federal and state tax credits without having to pay exorbitant fees to commercial tax preparers; and

WHEREAS, As a result of these efforts, last year alone CWF filed 29,424 tax returns which totaled approximately \$12,711,289 of EITC claimed for 2015; and

WHEREAS, This year, CWF and its partners including the City of Philadelphia have teamed up to offer 19 sites for free tax preparation; and

WHEREAS, The locations of CWF's approximately 19 free tax preparation sites and information on EITC eligibility are available on the website <u>www.YouEarnedItPhilly.com http://www.YouEarnedItPhilly.com or by calling 215-686-9200 up until April 18, 2017; now, therefore, be it</u>

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That January 27, 2017 is hereby recognized as "Earned Income Tax Credit ('EITC') Awareness Day" in Philadelphia.