

EITC Discussion for Special Session

Friday, November 10, 2023 at 11am

Webinar link: <https://us02web.zoom.us/j/89246302766>

Attendees:

Representatives Bird, Brown, Dickson, Willford, Weissman, Froelich, Joseph, Garcia, Vigil, Ricks, Rutinel, Hernandez, Epps, and Amabile;

Senators Kolker, Bridges, Mullica, Gonzales, Marchman, Hansen, Hinrichsen, Fenberg, and Fields

Staff: Sarah Regan, Karlin Gray, Andrew Lindinger, and Rebecca Kisner

Meeting Minutes

- **11:04 am** Representative Bird welcomed attendees and provided introductory remarks on the history of the state and federal Earned Income Tax Credits and opened it up to discussion amongst attendees about expanding the state EITC during the 2023 Special Session.
- Senator Hansen discussed the merits of expanding the state's EITC as one of the best tools we have to combat poverty.
- Representative Bird shared the constraints for this policy under the Governor's call for a special session as limited to EITC and not the Child Tax Credit. Representative Bird also shared the income eligibility range for tax filers: \$16,500 per year for single filers, up to \$60,000 for married filers with 3 kids.
- Representative Weissman shared that he is working on an EITC bill idea for the regular session. He also discussed the estimated TABOR impact of the policy under consideration (the revenue impact to the state is \$5.8M for every 5% increase of EITC) and the limited administrative costs he anticipates.
- Members discussed the merits of expanding the state's EITC to 50% - 100% of the federal EITC and expressed concerns about deciding on a specific percentage without having a fiscal analysis of the impact to the state.
- Representative Dickson expressed a desire to ensure middle-income Coloradans also receive assistance and recognized this type of support may be more appropriate for other policy discussions.

- Discussion around the impact to TABOR continued and members highlighted the impact of the interaction a significant increase of the EITC would have on other tax expenditure policies that are already in law.
- Rep Willford suggested pursuing legislation that would provide a 100% match of the federal EITC. No one expressed opposition.
- Senator Hinrichsen raised concern about the interaction with a property tax policy.
- **11:38 am** The meeting adjourned.