

[Logo or letterhead, if applicable]

Date

The Honorable Karen E. Spilka
Senate President
State House, Room 332
Boston, MA 02133

The Honorable Ronald Mariano
Speaker of the House
State House, Room 356
Boston, MA 02133

Senator Michael J. Rodrigues
Chair, Senate Ways and Means Committee
Committee
State House, Room 212
Boston, MA 02133

Representative Aaron Michlewitz
Chair, House Ways and Means

State House, Room 243
Boston, MA 02133

Senator Susan L. Moran
Chair, Joint Committee on Revenue
State House, Room 312-D
Boston, MA 02133

Representative Mark J. Cusack
Chair, Joint Committee on Revenue
State House, Room 34
Boston, MA 02133

Senator Bruce E. Tarr
Minority Leader
on Revenue
State House, Room 308
Boston, MA 02133

Representative Michael J. Soter
Ranking Member, Join Committee

State House, Room 237
Boston, MA 02133

Dear Madam President, Speaker Mariano, and Honorable Members of the Tax Package Conference Committee:

On behalf of {ORGANIZATIONAL NAME, if applicable}, thank you for recognizing the urgent need to address affordability for families in Massachusetts by introducing legislation to expand the Earned Income Tax Credit and establish a streamlined and boosted Child and Family Tax Credit. As the committee considers the reconciliation of the two tax bills, H.3770 and S.2397, **we urge you to prioritize Massachusetts children and caregivers by including the House version of the Child and Family Tax Credit in the final conferenced tax package.** The larger benefit - ultimately reaching \$600/dependent and indexed to inflation - proposed by the House will provide greater support for families and caregivers, further the credit's racial equity impact, and reposition the state as a leader on family tax credits.

{ABOUT YOURSELF AND/OR ORGANIZATION AND WORK}

The House Child and Family Tax Credit will go further to support families:

Ultimately reaching \$600/dependent in FY2026 and then indexed annually for inflation, the House Child and Family Tax Credit will go further in supporting families' ability to keep up with the rising cost of living and caring for dependents in Massachusetts. This includes affording food, housing, utilities, clothing, school supplies, child care, and more. [Evidence from the 2021](#)

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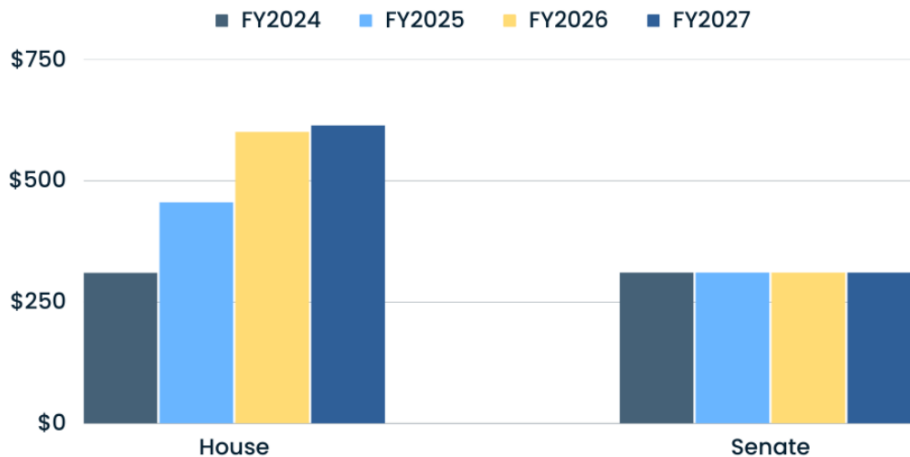
[federal Child Tax Credit expansion](#) suggests that this fully refundable and universal credit will similarly help families afford basic needs, reduce poverty, improve health, and support caregiver mental health. Furthermore, indexing this credit for inflation (as proposed by the House) is a simple and essential approach that the Legislature can use to prevent erosion of the benefit over time.

{WHY THE CFTC - AND SPECIFICALLY, THE LARGER BENEFIT PROPOSED BY THE HOUSE - MATTERS TO YOU/YOUR CLIENTS/YOUR ORGANIZATION. SEE [THIS CBPP REPORT](#) FOR DATA ON THE HEALTH, POVERTY REDUCTION, AND RACIAL EQUITY IMPACT OF STATE CTCs}

{CHOOSE PREFERRED INFOGRAPHIC}

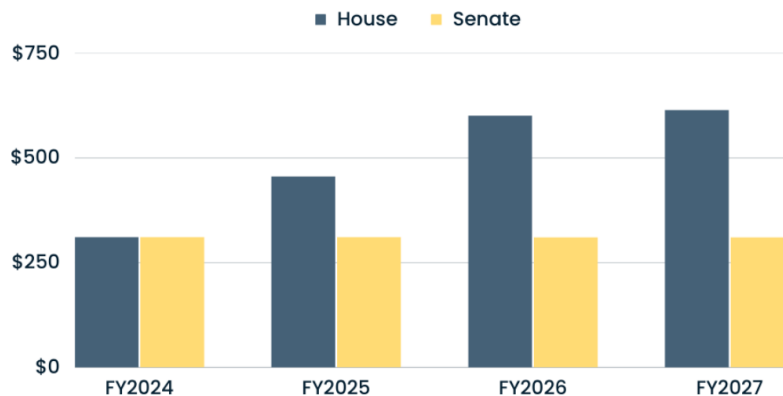
HOUSE VS SENATE PROPOSALS: CHILD & FAMILY TAX CREDIT

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The House Child and Family Tax Credit will go further to reduce racial income gaps:

Disproportionately benefiting dependents of color, analyses from the Massachusetts Budget and Policy Center demonstrate that the streamlined and boosted credit [will reduce racial income gaps](#). While Black residents make up 9.8% of the state population, they represent 14.3% of children under the age of 13 and eligible for the Child and Family Tax Credit. Similarly, Latino residents make up approximately 12.4% of the state population, but 19.6% of children under the age of 13. Investments in the Child and Family Tax Credit are an investment in closing racial income gaps. Passing a more generous credit, as included in the House tax bill, offers the opportunity to further this racial equity impact over the next three years.

The House Child and Family Tax Credit repositions Massachusetts as a leader on dependent tax credits:

Beyond Massachusetts, twelve states have implemented a Child and Family Tax Credit. This movement has accelerated as a tool to reduce child poverty and reduce inequities exacerbated by the pandemic, in particular following the success of the temporary federal CTC expansion in 2021. We applaud the Legislature for its swift recognition of this when it converted the state's two dependent deductions into a pair of fully refundable and inclusive dependent credits in its FY2021 budget (current law). This conversion made a meaningful difference for thousands of families with low incomes who were previously excluded from the deduction benefits. We are grateful and proud that the Legislature did not stop there, and has demonstrated a continued commitment to this impact by its proposals to streamline, boost, and uncap these credits - both this session and last.

However, if the Legislature settles for a credit valued at \$310/dependent (as proposed by the Senate) it will still fall behind several other states including California, Colorado, Maryland, Minnesota, New Jersey, and Vermont. A benefit that ultimately reaches \$600/dependent, as proposed by the House, will reposition Massachusetts as a leader on the Child and Family Tax Credit, exceeding New Jersey and Maryland and falling close behind Colorado, Minnesota, and Vermont – all of which have passed credits of at least \$1,000/dependent within the past year. Furthermore, indexing the credit for inflation (as included in the House bill) will keep the credit competitive compared to other states.

{**ORGANIZATION NAME, IF APPLICABLE**} is deeply appreciative of the Legislature's efforts to make Massachusetts more affordable and equitable by expanding family tax credits. In order to have the greatest impact, **we urge the committee to adopt the House version of the Child and Family Tax Credit, ultimately raising the benefit to \$600/dependent and indexing it for inflation.** Accepting the House's version over the Senate's will have no differential cost impact in FY2024, but will set the stage for incremental and meaningful enhancements over the next three years. Coupled with the historic increase to the EITC, this final tax package will reduce

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poverty, increase affordability, and provide families with the resources necessary for children across the state to thrive.

Thank you in advance for your time and consideration.

Sincerely,

Name

Contact