

**Introduced by Senator Calderon**

February 20, 2013

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Senate Concurrent Resolution No. 12—Relative to taxation.

LEGISLATIVE COUNSEL’S DIGEST

SCR 12, as introduced, Calderon. Taxation.

This measure would encourage state departments to identify and utilize existing and potential public or private partnerships to inform citizens and employees about the availability of the federal Earned Income Tax Credit and Volunteer Income Tax Assistance programs, as specified.

Fiscal committee: no.

- 1 WHEREAS, Insufficient income contributes to many of the
- 2 social and human service needs in our state; and
- 3 WHEREAS, The federal Earned Income Tax Credit (EITC)
- 4 provides tax relief and income support to seniors and low-income
- 5 working families earning less than \$51,000 a year; and
- 6 WHEREAS, The EITC lifts millions of individuals out of
- 7 poverty each year in the United States by supporting work and
- 8 self-sufficiency while reducing the need for public assistance; and
- 9 WHEREAS, Increasing EITC utilization represents a highly
- 10 cost-effective economic development strategy; and
- 11 WHEREAS, Each year, the EITC helps approximately 284,376
- 12 households in California and brings more than \$347 million into
- 13 California’s economy; and
- 14 WHEREAS, It is estimated that every year, out of every family
- 15 that qualifies for the EITC, 800,000 Californians fail to file for
- 16 EITC, accordingly, increasing Californian’s utilization of the EITC

1 would help to bring additional funds into California's economy;  
2 and

3 WHEREAS, Every resident earning less than \$51,000 a year  
4 may qualify for up to \$5,891 in EITC which can be used to lower  
5 their taxes or increase their tax refund; and

6 WHEREAS, Every 1,000 residents who qualify and apply for  
7 EITC represents a potential \$5.8 million economic stimulant for  
8 our communities; and

9 WHEREAS, An increase of \$1.2 billion each year in EITC  
10 benefits would generate \$1.2 billion in business sales, pay \$311  
11 million in wages, and add nearly 7,500 jobs to the state economy  
12 each year; and

13 WHEREAS, A volunteer EITC State Commission made up of  
14 executive directors of the State Board of Equalization, the  
15 Franchise Tax Board, the Employment Development Department,  
16 and representatives from the offices of the Superintendent of Public  
17 Instruction, the Controller, the Treasurer, the Trustees of the  
18 California State University System, the Board of Governors of the  
19 California Community Colleges, and two union representatives  
20 would coordinate Volunteer Income Tax Assistance (VITA)  
21 activities and provide callers with tax credit information, including  
22 information on eligibility rules, and direct workers to nearby VITA  
23 sites for needed tax forms and assistance; now, therefore, be it

24 *Resolved by the Senate of the State of California, the Assembly*  
25 *thereof concurring,* That the Legislature of the State of California  
26 encourages departments of California state government to identify  
27 and utilize existing and potential public or private partnerships to  
28 inform citizens and employees about the availability of the EITC  
29 and the formation of VITA programs; and be it further.

30 *Resolved,* That the Legislature of the State of California  
31 encourages each state entity to work in partnership with private  
32 outreach campaigns to identify and utilize existing communications  
33 mechanisms to inform Californians about the availability of the  
34 EITC and VITA programs, which may include state publications,  
35 Internet Web sites, human resource materials and communications,  
36 correspondence and forms from the state taxing agencies, the  
37 Treasurer, and the Controller, targeted printed materials,  
38 caseworker and client interactions, and application materials for  
39 state assistance and state licenses; and be it further

1     *Resolved*, That the Legislature of the State of California  
2 encourages each state entity including the State Librarian, the  
3 Superintendent of Public Instruction, and others to utilize existing  
4 state infrastructure, if appropriate, to support EITC outreach and  
5 statewide availability of the VITA program, which may include  
6 utilizing the Department of Workforce Investment Service Centers  
7 and other appropriate locations as VITA sites, staffed by trained  
8 VITA volunteers, between January and April, encouraging local  
9 school districts to integrate EITC outreach and VITA services into  
10 their parent involvement and community school efforts, and  
11 utilizing economic development tools and negotiations to  
12 encourage and support EITC outreach and employment-based  
13 VITA sites if appropriate; and be it further  
14     *Resolved*, That the Secretary of the Senate transmit copies of  
15 this resolution to the author for appropriate distribution.

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