

AMENDED IN SENATE MARCH 4, 2013

Senate Concurrent Resolution

No. 12

Introduced by Senator Calderon
(Coauthor: Assembly Member John A. Pérez)

February 20, 2013

Senate Concurrent Resolution No. 12—Relative to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCR 12, as amended, 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 assistance to seniors and
5 low-income working families earning less than \$51,000 a year;
6 and
7 WHEREAS, The EITC lifts millions of individuals out of
8 poverty each year in the United States by supporting work and
9 self-sufficiency while reducing the need for public assistance; and
10 WHEREAS, Increasing EITC utilization represents a highly
11 cost-effective economic development strategy; and

1 WHEREAS, Each year, the EITC helps approximately 284,376
2 households in California and brings more than \$347 million into
3 California's economy; and

4 WHEREAS, It is estimated that every year, out of every family
5 that qualifies for the EITC, 800,000 Californians fail to file for
6 EITC, accordingly, increasing Californian's utilization of the EITC
7 would help to bring additional funds into California's economy;
8 and

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

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

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

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

30 *Resolved by the Senate of the State of California, the Assembly*
31 *thereof concurring,* That the Legislature of the State of California
32 encourages departments of California state government to identify
33 and utilize existing and potential public or private partnerships to
34 inform citizens and employees about the availability of the EITC
35 and the formation of VITA programs; and be it further.

36 *Resolved,* That the Legislature of the State of California
37 encourages each state entity to work in partnership with private
38 outreach campaigns to identify and utilize existing communications
39 mechanisms to inform Californians about the availability of the
40 EITC and VITA programs, which may include state publications,

1 Internet Web sites, human resource materials and communications,
2 correspondence and forms from the state taxing agencies, the
3 Treasurer, and the Controller, targeted printed materials,
4 caseworker and client interactions, and application materials for
5 state assistance and state licenses; and be it further

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

19 *Resolved*, That the Secretary of the Senate transmit copies of
20 this resolution to the author for appropriate distribution.