



ADMINISTRATION FOR
CHILDREN & FAMILIES

Region V

Illinois • Indiana • Michigan • Minnesota • Ohio • Wisconsin

233 North Michigan Avenue, Suite 400
Chicago, Illinois 60601-5519

Telephone (312) 353-4237
Fax (312) 353-2204

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Dear Colleagues:

Once again it will soon be time for all of us to complete our Federal and State tax returns. Therefore, I am taking this opportunity to share updated information with you concerning the Federal Earned Income Credit (EIC) a vital tax benefit available to many of the low-income working families served by your agency/program. The EIC has several important purposes: to reduce the tax burden on these families, to supplement wages, and to make work more attractive than welfare. The EIC is now more valuable than ever, having increased to a maximum benefit of \$5,891.00 for the 2012 tax year.

Preliminary reports indicate that the EIC provided \$59.7 billion in tax credits to over 27 million eligible families and individuals for tax year 2011. In addition, the IRS reports that the EIC is credited for lifting 6.6 million people out of poverty, including 3.3 million children. Still, many eligible workers do not receive the credit because they are not aware of it, do not know they are eligible, or do not know how to apply. In addition, each year many new workers become eligible for the first time as they enter the workforce or due to a change in their family situation.

An enclosure to this letter provides important information that you may use in helping make the EIC and other important tax benefits more accessible to low-income working families. The "Tax Benefit Information Sheet" (assembled by this office) contains miscellaneous information and resources to assist you in starting up or enhancing existing efforts.

I am also pleased to inform you that the Center for Budget and Policy Priorities' "2012 Tax Credit Outreach Kit" is now available. The kit contains many of the resources you need to conduct an effective campaign to publicize the EIC and ensure its accessibility to the families you serve. Contents include EIC posters and envelope stuffers (in English and Spanish), an EIC campaign guide, and other helpful information. A free copy of this kit may be obtained by email at eickit@cbpp.org or by calling CBPP outreach staff at 202-408-1080. Additional kits are available at a nominal charge.

As our partner in many important efforts, I encourage you to continue your work toward bringing these available tax benefits to the attention of your program's working families. Also, please accept my thanks for all the work you do on behalf of children and families.

Sincerely,

L. Kent Wilcox
Regional Administrator