



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**ALDERMAN WAGUESPACK INTRODUCES RESOLUTION CALLING FOR HEARING
ON EARNED INCOME TAX CREDIT**

CHICAGO—Alderman Scott Waguespack today introduced a resolution calling for the Committee on Finance to hold an informational hearing on the impact of the earned income tax credit (EITC) on Chicago families. Research shows that the EITC is one of the most successful anti-poverty programs in the country – boosting the income of working families earning low wages offsets their income and payroll taxes and incentivizes workforce participation.

“The earned income tax credit assists low- and middle-income families in retaining more of the money they make, providing them greater financial certainty to pay the bills and save for their future,” said Mayor Lori E. Lightfoot. “To many of these families, this represents the difference between keeping their heating on, their children fed, and their lives out of financial ruin. This important hearing will explore ways in which we can strengthen the services that are already in place and make it more effective and impactful in the lives of our residents and communities.”

An estimated 22% of Chicago households are eligible to receive the EITC, and an estimated 276,000 children live in these households, representing 40% of all Chicago children. However, approximately 20% of eligible Chicago taxpayers do not take advantage of the EITC, leaving hard-earned money on the table.

Even a 5% increase in claims for the EITC among eligible Chicagoans would likely cover an additional 19,000 families generating more than \$52 million in economic benefits for them.

“I encourage all eligible Chicagoans to take advantage of the EITC this upcoming tax season,” said Alderman Waguespack. “The EITC combined with the historic minimum wage approved by Chicago’s City Council will help lift more of our city’s families out of poverty.”

This resolution further emphasizes the City’s commitment to reducing poverty and bettering the lives of the working class, as the EITC is proven to be one of the



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country's most effective anti-poverty programs. The City Council recently passed legislation increasing the City's minimum wage to \$15 by 2021. According to the Center on Budget and Policy Priorities, the evidence is clear that pairing a minimum wage increase with expanded use of the EITC will lift more families out of poverty.

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