

# EITC & VIOLENCE PREVENTION

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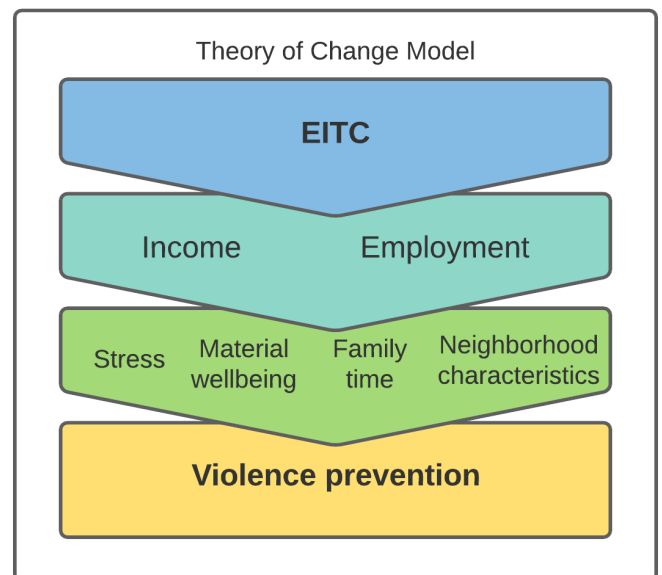
## THE EARNED INCOME TAX CREDIT (EITC) IS A CASH ASSISTANCE PROGRAM FOR WORKERS WITH LOW EARNINGS THAT IS ACCESSED BY FILING TAXES.

The IRS determines program eligibility and benefits based on household earnings, marital status, and family size. Twenty-eight states, the District of Columbia, and Puerto Rico have enacted supplemental EITCs, most of which offer a percentage of the federal credit to the same families. A few states, including California, Wisconsin, and Washington, use unique eligibility or benefit calculation rules.

As an evidence-based policy with bi-partisan support, both federal and state EITC programs have expanded greatly over time. For instance, 5 states recently expanded EITC eligibility to filers without a Social Security number and the 2021 American Rescue Plan (ARP) included a temporary tripling of federal EITC to childless workers.

## EITC BACKGROUND

- > In the US, EITC credits are claimed by 40% of families with children and 16% of families overall.
- > Around \$70 billion is disbursed annually through the federal EITC program. In 2018, the average EITC claim for a household was \$2,451.
- > Many states augment the federal EITC with a state EITC, usually calculated as a percentage of the federal EITC.
- > Income support programs like the EITC have effects beyond economic outcomes and are an important tool to improve health outcomes and reduce health and economic disparities.
- > The EITC could affect multiple forms of violence by changing family income and employment, which relate to stress, material wellbeing, family time, and neighborhood characteristics.
- > Our objective was to investigate the impact of EITC on violence outcomes and their shared risk and protective factors by comparing rates of violence across states and years when different EITC programs were in place.



### A 10 percentage-point increase in EITC was associated with...

- > **220** fewer cases of child maltreatment per 100,000 children (age 0-18) per year
- > **324** fewer cases of child neglect per 100,000 children (age 0-5) per year
- > **40** fewer suicide attempts per 100,000 population per year

## CHILD MALTREATMENT

Poverty is a risk factor for child maltreatment, and policies that strengthen the economic security of low-income families may reduce child maltreatment, particularly neglect. Prior work has shown that EITCs reduce pediatric abusive head trauma and child welfare involvement.

> We found that a 10-percentage point increase in the generosity of state EITC benefits was associated with 241 fewer reports of neglect overall per 100,000 children aged 0-18 per year (a 9% decrease) with the greatest reduction among children aged 5 or younger.

> Our findings also suggest that EITC benefits may reduce physical and emotional abuse.

### A 10 percentage-point increase in EITC was associated with...



## INTIMATE PARTNER VIOLENCE

Economic insecurity and stress are important risk factors for intimate partner violence (IPV) and intimate partner homicide (IPH). IPV is often associated with financial abuse, including limiting the ability of the victim to access bank accounts or go to work.

> Our findings suggest no significant effect of EITC on IPV/H.

> Victims of IPV who file taxes as 'married filing separately' are ineligible to receive EITC, per policy eligibility rules. These rules may limit the EITC's effectiveness at reducing IPV/H.

> Massachusetts' successful Family First campaign for EITC expansion in 2017 specifically recognized that EITC eligibility rules prevent refunds from reaching many victims of IPV.

For more information about EITC and violence prevention please scan the QR code:



## SUICIDE

Financial precarity and unemployment are associated with suicide attempts and deaths, so economic support policies such as the EITC may reduce rates of self-inflicted harm.

> We found that EITC generosity is associated with a modest reduction in suicidal behaviors.

> A 10 percentage-point increase in the generosity of state EITC was associated with a 4% reduction in suicide attempts and a 1% reduction in suicide deaths per year.

## RISK & PROTECTIVE FACTORS

Poverty and economic stress are upstream determinants of many risk factors for poor mental or physical health. Previous research on EITC have focused on single mothers, who are more likely to be eligible for the program and receive more generous benefits.

> A 10-percentage point increase in the generosity of state EITC was associated with 97 fewer reports of frequent mental distress per 100,000 per year, and 140 fewer reports of frequent poor physical health per 100,000 per year, among adults with no education beyond high school.

> The positive impacts of the EITC, particularly on self-reported mental distress, were most pronounced in the weeks after EITC benefits were disbursed.

> This analysis builds on prior work by showing that EITC benefits are not limited to single mothers.

### These results support policy action at multiple levels of government including...

- > Maintaining or expanding the federal EITC
- > Considering changes to federal and state EITC eligibility rules to improve access
- > Creating EITCs in states that do not have an EITC
- > Increasing benefit levels of existing state EITCs
- > Supporting outreach and tax filing services to encourage eligible families to apply for the EITC

## REFERENCES

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