



NEWS RELEASE

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38,000 Alabama Military Families Benefit from Working-Family Tax Credits

Forrister: EITC, Child Tax Credit Offer Crucial Support for Many Veterans, Active-Duty Troops

About 38,000 Alabama families with current or former members of the armed forces benefit from a pair of federal tax credits designed to boost incomes for working families, according to [a report released today by the Center on Budget and Policy Priorities \(CBPP\)](#), a nonprofit research organization in Washington, D.C. Nationwide, one in four military families claim the Earned Income Tax Credit (EITC) or the low-income component of the Child Tax Credit (CTC), the CBPP study finds.

“Our service members and veterans have answered the call of duty, and it’s our duty to make sure they can provide for their families back home,” ACPPE executive director Kimble Forrister said. “Through worker credits like the EITC and the Child Tax Credit we can help young families make ends meet.”

More than 1.5 million military families nationwide claim one or both of the credits, the CBPP finds. Those credits improve economic security for about 3 million children. They also keep more than 140,000 military families – including 300,000 children and 600,000 total family members – from falling below the poverty line, based on the federal Supplemental Poverty Measure, the CBPP estimates.

The tax credits help service members and veterans with low and moderate incomes cover basic expenses like groceries, housing, clothing and transportation. Research also indicates that EITC receipt is linked to higher test scores for children and better earnings and employment opportunities once those children reach adulthood.

Only people who are working can claim the credits, which lawmakers expanded modestly in recent years to provide more help to more families. The average credit in 2011 was \$1,000 from the low-income portion of the CTC and \$2,650 from the EITC.

“The EITC and the Child Tax Credit improve the economic security of military families and increase opportunity for their children,” Forrister said. “Congress should work hard to protect these credits for the benefit of their families and so many others in our state.”

The full CBPP report, “Working-Family Tax Credits Help Over 1 Million Military Families,” is [available here](#).

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Arise Citizens’ Policy Project is a nonprofit statewide citizens’ organization comprising 140 congregations and community groups that promote public policies to improve the lives of low-income Alabamians.