Updated Analysis Shows Virginia’s EITC Filers under New District Map

New analysis using the redrawn district maps shows how many working families currently receive the EITC by district and locality

Richmond, VA – The federal Earned Income Tax Credit (EITC) currently helps over 600,000 families in Virginia each year make ends meet, supports local economies, and encourages work. Many of these families also claim Virginia’s state EITC, and state lawmakers introduced several measures this past legislative session that would have boosted the state credit. The updated analysis reflects the new House district lines from court-ordered redistricting. Several House districts now include additional families who receive the EITC, according to a new report from The Commonwealth Institute for Fiscal Analysis, an economic and policy research organization in Richmond.

Districts with the largest increases include:

- House Speaker Kirk Cox’s 66th district,
- Del. Matthew James’ 80th district,
- Del. Gordon Helsel’s 91st district,
- Del. David Yancey’s 94th district,
- Del. Barry Knight’s 81st district,
- Del. Lamont Bagby’s 74th district, and
- House Appropriations Chairman Chris Jones’s 76th district.

The EITC is a working families tax credit that reduces a family’s income tax bill, and, at the federal level, provides a refund if the amount of the credit exceeds the income tax owed. However, unlike the federal EITC and similar credits in many other states, Virginia’s state-level EITC is not refundable. If the value of their state credit exceeds the amount of state income tax a family owes, the family misses out on the full value. A stronger state EITC would help to offset the many other state and local taxes paid by working families -- taxes which, on average, take a larger share of the incomes of workers with low to moderate incomes compared to the highest-income households.
“Across every legislative district and locality, hundreds of thousands of Virginia’s working families are working hard and still struggling to make ends meet,” says Chris Wodicka, author of the report. “A refundable work credit would put money back in people’s pockets.”

Twenty-nine states and the District of Columbia have enacted their own state EITCs, and 24 of these are refundable. During the 2020 legislative session, Virginia lawmakers will have another opportunity to join this group and give working families and their communities a boost.

“Given that some lawmakers’ districts will now include more families that receive the EITC in their district, we hope these lawmakers will take a greater interest in the benefits of a refundable EITC, and how it can strengthen their communities,” says Wodicka.


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