



TO: Revenue Committee
FROM: Tom Venzor, Executive Director
Nebraska Catholic Conference
DATE: February 5, 2021
RE: LB318 (Increase Earned Income Tax Credit) (Support)

Madame Chair Linehan and Members of the Revenue Committee,

The Nebraska Catholic Conference advocates for the public policy interests of the Catholic Church and advances the Gospel of Life through engaging, educating, and empowering public officials, Catholic laity, and the general public. I would like to express our support for LB318.

LB318 enhances a proven, effective, and socially just public policy that assists families often overlooked when fiscal policies are considered. The earned income tax credit, as stated by the Internal Revenue Service, is an income tax credit which “helps low- to moderate-income workers and families to get a tax break.”¹ The EITC is not welfare, but it makes welfare policies more effective in terms of both economic and social costs.

This legislation has at least four positive impacts: it assists the working poor, delivering critical income support for workers and low-wage jobs; it supports the stability of their families, helping to lift their children out of poverty; it promotes self-sufficiency, which remains the linchpin of Nebraska’s welfare reform enacted in 1994; and it helps to reduce long-term welfare dependence.

When the Legislature worked on welfare reform, engaging in a great deal of diligent debate, one of the commitments made on behalf of the state was to provide supportive policies to help make self-sufficiency realistic and meaningful. Authorizing an increase in the EITC at a realistic and meaningful level is a manifestation of that commitment and would be an important step forward for Nebraskans experiencing poverty.

The NCC has been a long-time supporter of EITC legislation here in Nebraska. This support is an extension of the support that the United States Conference of Catholic Bishops has consistently acted upon at the federal level for enactment, implementation, and promotion of the federal EITC.

The Nebraska Catholic Conference respectfully urges your support for this legislation.

¹ <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc>