

Amendment to the Chairman’s Mark

Offered by Representatives Moore, Van Hollen, McDermott, Lee, Pocan, and Dingell

**Increase Effectiveness of the Earned Income Tax Credit**

1. Increase budget authority and outlays for Function 600 by the following amounts in billions of dollars to ensure that childless workers can benefit more fully from the anti-poverty and employment effects of the Earned Income Tax Credit.

|         | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------|------|------|------|------|------|------|------|------|------|------|
| BA      | ---  | 5.4  | 5.6  | 5.6  | 5.6  | 5.6  | 5.7  | 5.8  | 5.8  | 5.9  |
| Outlays | ---  | 5.4  | 5.6  | 5.6  | 5.6  | 5.6  | 5.7  | 5.8  | 5.8  | 5.9  |

2. Adjust the aggregate levels of revenue by amounts equal to the foregoing outlay changes in paragraph 1, reflecting the reduction of tax expenditures for the top one percent of income earners, or of unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest” loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding \$1 million per year.
3. Make all necessary and conforming changes to the Chairman’s mark.
4. Amend the committee report to reflect the following policy assumptions:

The resolution assumes an expansion of the Earned Income Tax Credit (EITC) for workers without children and for non-custodial parents. The benefit for childless workers – which is now minimal – would double, the age range for eligibility would expand, the credit would be available at somewhat higher incomes, and eligibility for certain recipients would be simplified. These changes would directly reduce poverty and hardship for millions of low-income workers and encourage work.

The resolution accommodates this increase in the EITC for childless workers by reducing tax expenditures for the top one percent of income earners, or by reducing unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest”

loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding \$1 million per year.