



**Testimony for the Joint Fiscal Committees
SFY 2024-25 Executive Budget
Taxes Budget Hearing
February 14, 2024**

Testimony of the New York Immigration Coalition

Thank you for the opportunity to submit testimony on the 2024-25 New York State Executive Budget. My name is Liza Schwartzwald, Director of Economic Justice and Family Empowerment at the New York Immigration Coalition, an umbrella policy and advocacy organization that works statewide with over 200 immigrant-serving member organizations.

The need for poverty relief measures in New York is great. [A Raising NY analysis](#) found that despite consistently ranking in the top five states in the nation for its per capita income and GDP, New York has ranked in the bottom third of the entire country for its high rate of child poverty. Despite [contributing \\$24.5B in taxes](#) to New York's state and local economy, [nearly 18% of New York's immigrant families with children](#) are living in poverty.

Last year, we were extremely pleased that New York State expanded the Empire State Child Credit to children under 4 years old who had previously been cruelly excluded. This was a first step in the right direction, but if New York State is serious about cutting child poverty by half in ten years as it has committed to doing under the Child Poverty Reduction Act, then substantially more must be done to close the gap for New York's children.



The Working Families Tax Credit (WFTC) [S.277B/ A.4022B], led by Senator Gounardes and Assemblymember Hevesi, would give New York’s families what they need to keep going. The bill proposes combining and strengthening New York’s ESCC and EITC. For individual New Yorkers and families currently eligible for the ESCC, EITC, or both, the combined credit they would receive from the WFTC would be greater, or equal to the sum of the two credits. For the lowest income, and many immigrant New Yorkers, the credit amount would be significantly greater under the WFTC.

The WFTC builds upon the strengths of New York’s ESCC and EITC, and corrects their shortcomings. Eligible families with children would receive a WFTC equal to or greater than the current EITC credit plus child tax credits for all children in the household. It would eliminate the income phase-ins currently in place for both credits to allow families with the lowest incomes to receive the full credit amount, and would be available to immigrant tax filers with an Individual Tax Identification Number (ITIN) in the same manner as filers with a Social Security Number. (This is currently the case with the ESCC, but not with the EITC.) The maximum credit would phase-in to \$1,600, indexed to inflation, over a five-year period, and all families would receive a minimum \$500 credit per child, regardless of income. Finally, the WFTC would be paid out in four increments throughout the year.

We need not guess at the success of the tax credit system to relieve poverty. When Child Tax Credit programs are in place, [New York parents use the tax cuts to pay for childcare, food, clothing and other basic needs](#). This is crucial given that the gap in childcare options,



specifically, is one of the single biggest obstacles when participating in our economy. Passing the Working Families Tax Credit bill would result in a 13.4% reduction in children under the age of 18 living in poverty with a 19.6% reduction for those under 18 living in deep poverty.

Studies from the [Center on Budget and Policy Priorities \(CBPP\)](#) and [Urban Institute and Humanity Forward](#) also show that direct cash benefits like the federal Child Tax Credit help moms – especially single mothers – get back to work by alleviating the costs of childcare and transportation. New York has an opportunity to raise the floor for all of our struggling families by passing the Working Families Tax Credit.

New York must pass the Working Families Tax Credit to ensure that all New Yorkers have the support they need not just to survive, but to thrive.

Thank you for the opportunity to testify.

Submitted by:
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