



# Side-by-side Analysis Of Cost-of-living Refund Policies

	<b>Economic Security Project Proposal<sup>1</sup></b>	<b>Cost-Of-Living Refund Act</b> Sen. Brown & Rep. Khanna	<b>LIFT the Middle Class Act</b> Sen. Harris	<b>EITC Modernization Act</b> Rep. Watson Coleman	<b>Rise Credit</b> Sen. Booker	<b>WRCR Act</b> Rep. Moore	<b>BOOST Act</b> Rep. Tlaib	<b>Working Families First Credit</b> Sec. Castro	<b>Economic Agenda for American Families</b> Mayor Buttigieg
<b>Monthly payment</b>	✓	\$500 advance	✓	✓	✓	✓	✓	✓	\$500 advance
<b>Automatic filing</b>	✓				✓			✓	
<b>Family caregivers</b>	✓	✓		✓	✓	✓		† <sup>2</sup>	
<b>Low-income students</b>	✓	✓	✓	✓	✓	✓	✓	✓	
<b>Filers with ITINs</b>			✓		✓		✓	✓	
<b>Workers without children at home:</b>									
» <b>Credit boost</b>	✓	✓	✓		✓	✓	✓	✓	✓
» <b>Lower age minimum</b>	✓ (18)	✓ (21)	✓ (18)	✓ (18)	✓ (18)	✓ (18)	✓ (18)	✓ (21)	✓ (19)
» <b>No age maximum</b>	✓			✓		✓		Up to 67	Up to 67
<b>Annual cost<sup>3</sup></b>	\$250.5B	\$158.5B	\$270.9B	TBD	\$250.5B	\$254B	\$380B	\$195.3B <sup>4</sup>	\$44.9B
<b>People impacted:</b>	159M <sup>5</sup>	124M	178M	TBD	159M	161M	218M	190M	95M
» <b>Adults</b>	106M (45%)	74M (31%)	119M (50%)		106M (45%)	106M (45%)	153M (65%)	107M (45%)	56M (24%)
» <b>Children</b>	53M (57%)	50M (53%)	59M (62%)		53M (57%)	55M (57%)	65M (68%)	83M (87%)	39M (41%)

<sup>1</sup> Nearly all of the top Democratic presidential candidates support some or all of the EITC expansions included in the Cost-of-Living Refund. See page 2 for information on additional proposals.

<sup>2</sup> Counts all dependents in credit calculation.

<sup>3</sup> Except where otherwise noted, estimates of cost (CY 2020) and people impacted are from ITEP. [Tax Policy Center](#) estimates the total population eligible for the current EITC is 57M (28M children; 29M adults). [Joint Committee on Taxation](#) estimates the annual cost of the current EITC is \$72.6 billion in FY 2020.

<sup>4</sup> Estimates of cost and people impacted for the Working Families First Tax Credit include expansion of the Child Tax Credit.

<sup>5</sup> [Tax Policy Center](#) estimates that 153.7 million Americans would receive the refund.



# Credit Amounts, Phase-in Rates, And Income Eligibility

	<b>Economic Security Project Proposal</b>	<b>Cost-Of-Living Refund Act</b> Sen. Brown & Rep. Khanna	<b>LIFT the Middle Class Act</b> Sen. Harris	<b>EITC Modernization Act</b> Rep. Watson Coleman	<b>Rise Credit</b> Sen. Booker	<b>WRCR Act</b> Rep. Moore	<b>BOOST Act</b> Rep. Tlaib	<b>Working Families First Credit</b> Sec. Castro	<b>Economic Agenda for American Families</b> Mayor Buttigieg
<b>Average benefit among recipients</b>	<a href="#">\$3,321</a>	<a href="#">\$2,870</a>	<a href="#">\$3,220</a>		<a href="#">\$3,280</a>	<a href="#">\$3,320</a>	<a href="#">\$3,450</a>	<a href="#">\$2,730</a>	<a href="#">\$1,040</a>
<b>Maximum credit (single/married)</b>	<a href="#">\$4,000 / \$8,000</a>	<a href="#">\$12,839</a>	<a href="#">\$3,050 / \$6,100</a>	Same as current EITC <sup>6</sup>	<a href="#">\$4,050 / \$8,150</a>	<a href="#">\$4,000 / \$8,000</a>	<a href="#">\$3,000 / \$6,000</a>	<a href="#">\$9,659</a>	<a href="#">\$7,802</a>
<b>Phase-in rate (range)</b>	<a href="#">100%</a>	<a href="#">30% - 86.4%</a>	<a href="#">100%</a>	Same as current EITC	<a href="#">100%</a>	100%	<a href="#">No phase-in</a>	<a href="#">20% - 65%</a>	<a href="#">20% - 52.5%</a>
<b>Maximum income (single/married)</b>	<a href="#">\$50,000 / \$90,000</a>	<a href="#">\$80,374 / \$86,274</a>	<a href="#">\$50,900 / \$101,900</a>	Same as current EITC	<a href="#">\$50,900 / \$91,700</a>	\$50,000 / \$90,000	<a href="#">\$80,000 / \$100,000</a>		<a href="#">\$56,454 / \$62,354</a>

- » **Economic Security Project proposal.** [Proposed](#) by Economic Security Project. [Tax Policy Center](#) estimates.
- » **Cost-of-Living Refund Act of 2019** (S. 527 / H.R. 1431). [Proposed](#) by Sen. Sherrod Brown, Rep. Ro Khanna. [ITEP](#) estimates (Appx. I).
- » **LIFT the Middle Class Act** (S.4). [Proposed](#) by Sen. Kamala Harris, 2020 presidential candidate. [ITEP](#) estimates (Appx. III).
- » **EITC Modernization Act** (H.R. 1436). [Proposed](#) by Rep. Bonnie Watson Coleman.
- » **Rise Credit.** [Proposed](#) by Sen. Cory Booker, 2020 presidential candidate. [ITEP](#) estimates (Appx. III).
- » **Worker Relief and Credit Reform (WRCR) Act** (H.R. 5271). [Proposed](#) by Rep. Gwen Moore. [ITEP](#) estimates.
- » **Building Our Opportunities to Survive and Thrive (BOOST) Act** (H.R. 3590). [Proposed](#) by Rep. Rashida Tlaib, and [endorsed](#) by Sen. Bernie Sanders. [ITEP](#) estimates. *Note:* This bill removes the phase-in, a key aspect of the existing EITC, and extends the credit to those in deepest poverty with zero income.
- » **Working Families First Credit.** [Proposed](#) by Sec. Julián Castro, 2020 presidential candidate. [ITEP](#) estimates.
- » **Economic Agenda for Working Families.** [Proposed](#) by Pete Buttigieg, 2020 presidential candidate. [ITEP](#) estimates.
- » **Other proposals by 2020 presidential candidates.** Mayor Mike Bloomberg has [proposed](#) expanding the EITC to include family caregivers and workers without children, and provide a monthly payment option. Sen. Michael Bennet has proposed a significant [EITC increase](#) for workers without children, and was a leading sponsor of the [Working Families Tax Relief Act](#), which is co-sponsored by Sens. Booker, Harris, Klobuchar, Sanders, and Warren, and endorsed by 2020 presidential candidate Tom Steyer.

<sup>6</sup> **Current EITC:** Average benefit: \$2,488. Maximum credit: \$6,557. Phase-in rate (range): 7.65% - 45%. Maximum income (single/married): \$50,162 / \$55,952.