

## **Help for Working Families Summary of H.R. 2286**

Republicans have left moderate-income families behind in their zeal to cut taxes on millionaires, contrary to their “leave no child behind” rhetoric.

H.R. 2286 helps moderate-income working families and is revenue neutral.

### **PROVISIONS**

#### Provides Child Credit to More Working Families

Lowers to \$7,500 (from \$10,500) the amount of the wages a family must have before refundability of the child credit begins. This is identical to a provision that was included in the house Democratic alternative on the economic stimulus legislation. The credit would be allowed for approximately 19 million additional children by reason of this change.

#### Increases Benefit for Working Families

Increases partial refundability from 10% of wages to 15% of wages. Again, this is identical to a provision that was included in the Democratic alternative. This would result in an average credit increase of over \$300 per child.

#### Helps Families of Soldiers in Combat

Allows refundability for families of soldiers in combat zones even though combat wages are not taxed.

#### Speeds up Marriage Penalty Relief for Lower Income Working Couples

Makes effective immediately the marriage penalty relief in the Earned Income Tax Credit that was provided in the 2001 tax cut. This is the only marriage penalty relief not accelerated in the recently enacted tax bill.

#### Does Not Increase the Deficit

Closes corporate loopholes: prohibits tax shelters, and taxes corporations that move headquarters offshore (expatriates).