

Subject Working family credit; taxpayers with three or more qualifying children

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Overview

H.F. 1795 expands the working family credit for taxpayers with three or more qualifying children. Under current law, all taxpayers with three or more qualifying children are treated the same. The table below compares the credit under current law and under the bill. The bill does not make substantive changes to the credit for taxpayers with three or fewer children; it simply rebases the numbers for tax year 2019.

Working Family Credit Parameters under Current Law and H.F. 1795 Taxpayers with Three or More Qualifying Children, Tax Year 2019

	Current Law	H.F. 1620
Credit rate for families with 3+ qualifying children	11%	15.78%
Maximum earned income credit may be claimed against	\$19,600	\$14,870
Maximum credit	\$2,156	\$2,346
Phaseout threshold (unmarried taxpayers)	\$27,000	\$27,000
Phaseout threshold (married taxpayers)	\$32,840	\$27,000
Phaseout rate	10.82%	9.07%
Income at which credit is fully phased out (unmarried taxpayers)	\$46,926	\$52,871
Income at which credit is fully phased out (married taxpayers)	\$52,776	\$58,711



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