

# ***UNLOCKING BILLIONS:*** **INCREASING EITC UPTAKE FOR** **WORKING FAMILIES**

Spring 2026 Webinar

***\*\*To access a recording of this webinar, please click [THIS link](#)\*\****



# OVERVIEW OF WEBINAR SERIES

1

**Unlocking Billions: Increasing EITC Uptake for Working Families**

*Today's  
conversation!*

2

**Guaranteed Income in the Benefits Ecosystem: A Bridge to Stability and Mobility**

3

**Earning More Without Losing Support: Navigating Benefits Cliffs**

4

**Centering Long-Term Outcomes to Help People with Barriers to Work**

# INTRODUCTIONS



**Day Manoli**  
*Georgetown University*



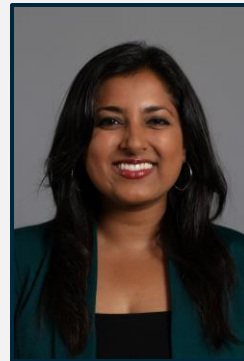
**David Park**  
*National League of Cities*



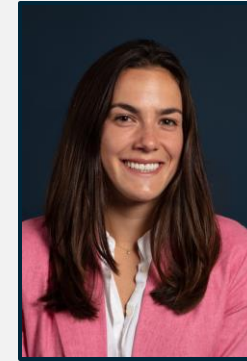
**Danielle Corea-Smith**  
*United Way of Greater Newark*



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# THE EITC OPPORTUNITY



## WHAT IS THE EITC?

The Earned Income Tax Credit (EITC) is...

- **A refundable tax credit** for low- and moderate-income workers
- **Tied to work and earnings**, with larger credits for families with children
- **The largest cash-transfer, anti-poverty program** in the U.S.



## WHAT'S THE CHALLENGE?

- Many eligible individuals **don't take advantage of benefits**
- **Billions of dollars** are left on the table every year
- **We need better state-level data** to understand who this credit does – and does not – reach

# EITC OVERVIEW – ADD’L DETAIL

Federal and state tax codes play a critical role in amplifying incentives for work and reducing poverty

## Federal EITC

- **Federal Earned Income Tax Credit (EITC)**
  - *Up to \$649 for taxpayers with no children*
  - *Up to \$4,328 for taxpayers with no children*
  - *Up to \$7,152 for taxpayers with no children*
  - *Up to \$8,046 for taxpayers with no children*
- **Federal Child Tax Credit up to \$2200 per child**  
*(\$1700 refundable)*
- **EITC + CTC = ~\$190B**

## State EITC

- **Example: New Jersey EITC**
  - *Up to \$260 for taxpayers with no children*
  - *Up to \$1731 for taxpayers with no children*
  - *Up to \$2861 for taxpayers with no children*
  - *Up to \$3218 for taxpayers with no children*
- **New Jersey CTC: Up to \$1000 per child ages 5 or younger**

# INCOMPLETE TAKE-UP

20% to 25% of tax benefits are not claimed by eligible taxpayers each year – and the additional losses of withholdings

## Reasons for not filing

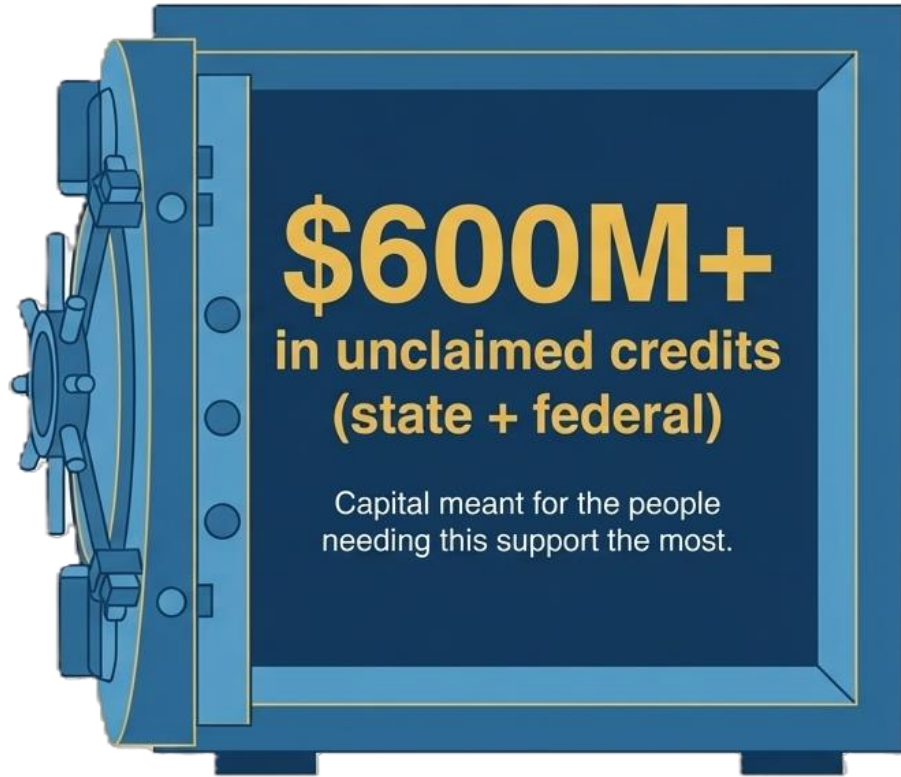
- **Costs of tax preparers**
- **Not having tax documents** (identify, income)
- **Fear of making mistakes, losing other public assistance benefits**
- **Fear of owing** (child support, back taxes)
- Unaware of tax benefits

## What to do

- **Free, simple filing assistance:** VITA sites, GetYourRefund.org
- **Year-round free filing assistance,** filing back taxes, post-filing season pre-population
- **Contacting eligible taxpayers:** filing non-claimants, SNAP/TANF/Medicaid recipients
- **Vouchers, reimbursement for costs of paid tax preparers**

# NEW JERSEY PILOT

# THE OPPORTUNITY



**204,000 eligible  
NJ residents are  
not currently  
claiming it.**

# THE INTERVENTION: A NEW FUNDING MODEL

## Traditional Grant Model

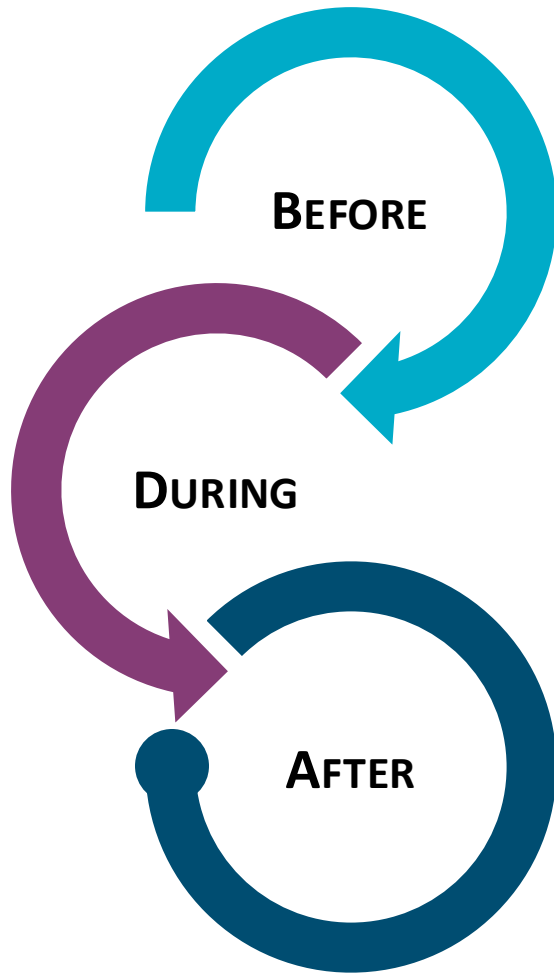
- For specific programs / activities
- Upfront allocation
- Changing mid-grant is often harder

## Outcomes-Based Structure

- Pays for uptake and results
- Phased capital deployment
- Flexibility to change and experiment

**Goal:** Increase the number of low-income individuals in New Jersey receiving EITC, by deploying innovative funding to reward actual uptake.

# FUNDING STRUCTURE



## Upfront Funding for Preparation

Money provided before tax season to help operators set up and launch their service strategies

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## Incentive Funding for Participation

Payments made during tax season to encourage new clients to join and adopt positive behaviors

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## Outcomes Funding for Results

Final payments awarded after tax season only when pre-determined goals and successes are achieved

# OVERVIEW OF PILOT STRATEGIES

We landed on five pilot strategies to implement during the 2025 tax season, in partnership with VITA programs. Each pilot included an outcomes payment structure



## Word of Mouth

*Trusted referrals through personal networks*



## Self-File

*Enable individuals to file taxes by themselves*



## Hybrid/Pop-Up

*Bring services closer to communities*



## Multi-Language

*Reduce language access barriers*



## Back Tax

*Help filers claim past credits*

# KEY TAKEAWAYS

This initiative enabled more families to use the EITC to take home the money they earned



## STRONG YEAR, DESPITE NATIONAL CHALLENGES

- EITC **claims grew \$1.4M** YoY (\$7.7M total)
- **More filers** claimed EITC (22% vs. 19%)
- NJ VITA **outpaced national filing growth** (8.3% vs. 1.3%)



## NEW STRATEGIES DROVE MEASURABLE GAINS

- 730 **more non-English filers** served
- **Back-tax help** reached 1,500 filers (+50%)
- Pilots sparked **new local partnerships**



## APPLYING LESSONS WILL STRENGTHEN IMPACT

- **Flexible funding** enabled rapid learning
- **Trusted VITA partners** drive impact
- **Pilots continuing** into 2026