



March 2023

To: House Finance Committee

Re: HB23-1112—Earned Income and Child Tax Credits

Dear House Finance Committee Members,

The American Association of University Women (AAUW) is one of the oldest women's organizations in the country, empowering women since 1881. The mission of AAUW is to advance equity for women and girls through advocacy, education and research.

AAUW recognizes that many families are headed by single women who are being especially hard hit during this post-pandemic era of scarcity of affordable housing and high inflation. The earned income and child tax credits are essential to providing support for these families. It only makes economic sense to increase the limits on these programs to help these families meet their basic needs, and help our economy grow.

Colorado AAUW strongly supports this bill and requests a YES vote in committee and throughout the process in becoming law.

Thank you for your consideration,

A handwritten signature in blue ink that reads "Su Ryden". The signature is fluid and cursive.

Su Ryden
AAUW Colorado Public Policy Co-Director

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Aurora, CO 80017
303.898.5797
su@ryden.com

American Association of University Women--AAUW is a top-rated 501(c)3 charitable organization whose mission is to advance gender equity for women and girls through research, education, and advocacy.



Chair Snyder, Vice Chair Joseph, members of the committee:

I am Maud Naroll, volunteer lobbyist with the League of Women Voters of Colorado, speaking in **support** of [HB23-1112](#). As you know, the League has been nonpartisan for all our 103 years, encouraging informed and active participation in government and influencing public policy through education and advocacy. We have thousands of members across the state.

Because Colorado's income tax rate is a flat rate for all, and our sales tax takes the largest share of income from those with the smallest earnings, our overall state tax system is regressive, hitting hardest those least able to pay. HB23-1112, by increasing tax credits for those with the lowest incomes, especially those families with children, helps make Colorado's tax system more progressive, and helps those who need help most.

The League supports policies and programs that promote the well-being of children. The League also supports a progressive tax system, one that takes a larger share of income from the richest and the smallest share from those with lowest incomes.

Thank you for the opportunity to testify. We hope you will support this bill.

Maud Naroll
Co-Director for Action & Advocacy
League of Women Voters of Colorado



**STATEMENT FOR THE RECORD BEFORE THE HOUSE FINANCE COMMITTEE ON HB
23-1112: EARNED INCOME AND CHILD TAX CREDITS**

March 27, 2023
Lindsey Vigoda, Colorado Director
Small Business Majority

Thank you Chairman Snyder and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower America's diverse entrepreneurs to build a thriving and equitable economy. Today, I am testifying in support of HB 23-1112, legislation that would expand the state-level Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) for working Coloradans.

The proposal brought forward by Rep. Bird and Senators Hansen and Kolker would expand the state level EITC in 2023 and remain in effect until 2026. This is a well-known tool that provides a boost for hardworking Coloradans, including small businesses and their employees. [Data](#) shows that in 2021, approximately 430,000 Coloradans submitted EITC claims, accounting for \$773 million in money back in their pockets and lifting thousands of people out of poverty.

This is particularly important to Colorado's economic success because the majority of small businesses—nearly 80%—are solo enterprises, many of which are low- to moderate-income. According to the U.S. Small Business Administration, the median income for self-employed Coloradans at their own unincorporated firms was just \$29,928 in 2018. It's critical for state lawmakers to support proposals like the expansion of the state EITC to effectively increase take-home income for Coloradans and support low to moderate-income small business owners, their employees and self-employed individuals.

For Coloradans with children, including small businesses owners and their employees, expanding eligibility and increasing the state CTC percentages will provide additional savings for more than 260,000 Coloradan families. What's more, the state CTC is targeting and providing greater savings for lower income families, which have been more frequently impacted by the coronavirus pandemic and need the additional financial support to make ends meet.

We're confident that HB 23-1112 will provide, if passed, an added boost to small businesses, their employees and local economies. These are powerful tools right at our disposal that can truly make a difference in our economic recovery. We encourage you to act swiftly and support Coloradan small businesses through these tax credits.

Thank you,
Lindsey Vigoda
Colorado Director, Small Business Majority

Commented [CM1]: Let's add some of our points about how expanding the EITC helps low to moderate income entrepreneurs and small business employees. We can pull stats on the average income for self-employed biz owners in CO from the SBA state profile.

**Written Testimony in Support of HB23-1112: Earned Income and Child Tax Credits
Colorado House Finance Committee Hearing
Emily Ochoa- Spring Institute for Intercultural Learning**

March 27, 2023

Chair and Members of the Committee,

My name is Emily Ochoa. I am the Policy Advocate at Spring Institute for Intercultural Learning and represent immigrant families, both professionally and personally; immigrants who are grateful to have found refuge in this country and are more than happy to pay their fair share of taxes.

Many of the stories I've heard throughout my career working with immigrants and refugees start with leaving their life and families behind due to violence, death threats, and fear. Something even more heartbreaking is that many had successful careers as doctors, engineers, and mental health professionals, among others. Still, many face multiple barriers while transferring their credentials to the United States. Regardless, we are hard workers contributing to the economy and paying taxes yearly. Yet, like many other lower-wage workers, we still struggle to make ends meet.

According to the American Immigration Council, "one in eight workers in Colorado is an immigrant, together making up an important part of the state's labor force across industries." Colorado's workforce [pays billions in state, local, and federal taxes](#). In fact, workers and families who earn low and moderate incomes [pay a larger share of their income](#) than the wealthiest people.

Working immigrant families could benefit enormously from a boost in tax credits to invest not only in transportation and basic needs but also in other ways by being able to: obtain English language classes (ESL), high school equivalency (GED), paraprofessional training programs, citizenship preparation, and college courses to help us fully integrate as new Americans and increase our earning potential. Boosting tax credits for hardworking families will help build a more promising future for all children who call this beautiful state home.

Immigrants are an integral part of Colorado's workforce in a wide range of occupations and are often underrepresented. We help make Colorado a vibrantly diverse and culturally rich place while working hard every day to care for our families. Low-income Coloradans pay a higher share of their income in taxes than high-income filers, and it is time to support these working people and families. These EITC and CTC tax credits can put money back into the hands of working people while boosting local economies.

Please support working families and vote YES.

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