

HB-1112 EITC/CTC Testimony Draft

Good Afternoon (MISTER/MADAM) Chair and members,

My name is Milena Castaneda and I am a Policy Fellow at the Colorado Center on Law and Policy. CCLP is a not-for-profit advocacy organization dedicated to the vision that every Coloradan should have what they need to succeed. It is no secret that money makes the world go 'round. Money pays for our necessities, our wants, and so much more. For many Coloradans income taxes are a way to help either get caught up or get ahead on bills. The child tax credit assists with this for many low-income families.

I can personally attest to how the Earned Income Tax Credit and the Child Tax Credit helps individuals and families be able to become self-sufficient. My family has moved from working poor to upper class, and back to working poor over the years. Life ebbs and flows and economic shifts are constant. Following a difficult divorce from my father and the unexpected but wonderful surprise birth of my little sister, my mother has been working her way to becoming self-sufficient as a single mother. When tax season is upon us, she files as soon as she can, as she needs to know how much she will get in return if any, and start planning what bills she can get ahead on, buy my sister much needed items, and provide additional medical devices for my grandmother that she is a caregiver for that insurance will not cover. This is a stage in her life's story that is already difficult and tight just like so many other Coloradans. Tax season is often the biggest check of the year for low-income families to address their big needs, paying down debt, and other things that are not possible when they are living paycheck to paycheck. For myself seeing these economic shifts are what pushed me to leave direct care as a behavioral health social worker and into the policy world.

Taxes are not just taxes. For many of us it is a time in the year where we file paperwork to the IRS and report our income. For others it is so much more. It is rent, a car payment, paying a medical bill, paying credit card debt, child care, food, and so much more than many of us can imagine.

While this testimony reflects my personal experience with finances, CCLP also supports this bill. This bill will help people during their time of economic crunch. Every dollar helps Coloradan's get a step closer to self-sufficiency and this bill will help them get there.

Thank you for your time and consideration. I am happy to answer any questions you may have.