

Table 25 State & Local Earned Income Tax Credits as of January 1, 2010

State	Maximum Percentage of Federal Credit or Approximate Equivalent	Link to Federal Structure	Refundable for Residents	Eligibility for Workers Without Children
State EITCs				
Colorado (1)	10.00%	Credit	Yes	Yes
Delaware	20.00%	Credit	No	Yes
Illinois	5.00%	Credit	Yes	Yes
Indiana	9.00%	Credit	Yes	Yes
Iowa	7.00%	Credit	Yes	Yes
Kansas (2)	18.00%	Credit	Yes	Yes
Louisiana	3.50%	Credit	Yes	Yes
Maine (3)	5.00%	Credit	Partially	Yes
Maryland (4)	50.00%	Credit	No	Yes
Massachusetts	15.00%	Credit	Yes	Yes
Michigan	20.00%	Credit	Yes	Yes
Minnesota (5)	45.00%	NA	Yes	Yes
Nebraska	10.00%	Credit	Yes	Yes
New Jersey	20.00%	Credit	Yes	Yes
New Mexico	8.00%	Credit	Yes	Yes
New York	30.00%	Credit	Yes	Yes
North Carolina	5.00%	Credit	Yes	Yes
Oklahoma	5.00%	Credit	Yes	Yes
Oregon	6.00%	Credit	Yes	Yes
Rhode Island (6)	25.00%	Credit	Partially	Yes
Vermont	32.00%	Credit	Yes	Yes
Virginia (7)	20.00%	Credit	No	Yes
Washington (8)	5.00%	Credit	Yes	Yes
Wisconsin (9)	43.00%	Credit	Yes	No
Local EITCs				
District of Columbia	40.00%	Credit	Yes	Yes
Montgomery County, Maryland	20.00%	Credit	Yes	No
New York City	5.00%	Credit	Yes	Yes

Notes:

- (1) Credit is only available if state revenues exceed constitutional spending limitations. The State will not offer the credit for tax years 2002-2010.
- (2) Credit is expanded to 18 percent for tax years 2010-2012, but is scheduled to revert to 17 percent thereafter.
- (3) Beginning in tax year 2010 the credit is partially refundable up to \$150 for joint filers and \$125 for other taxpayers.
- (4) Taxpayers with one or more dependents may claim a refundable credit equal to 25% of the Federal credit.
- (5) Credit is not based on the federal credit, but on earned income at various rates for each filing status.
- (6) 15% of the unused 25% State credit is refundable to taxpayers.
- (7) For 2010, the credit is scheduled to be calculated based on pre-2009 Federal law, but this change may be reversed by special legislation.
- (8) The credit is scheduled to increase to 10% of the Federal credit in 2011.
- (9) The percentage of the Federal credit allowed varies by number of children - 4% (one child), 14% (two children, and 43% (three or more children).

Source: Office of Tax Policy Analysis compilation from various sources, including CCH State Tax Guide and Williams, A., N. Johnson and J. Shure (2009, November 10).

"State Earned Income Tax Credits: 2009 Legislative Updates" (Washington, D.C.: Center for Budget and Policy Priorities).