

Prenatal-to-3 State Policy Roadmap 2025

STATE EARNED INCOME TAX CREDIT

What progress have states made in the last year to adopt and fully implement a refundable EITC of at least 10% of the federal credit?

State	State Context and Policy Progress
Alabama	<p>Alabama does not have a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Alaska	<p>Alaska does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Arizona	<p>Arizona does not have a state EITC.</p> <p>In the last year, legislators introduced H.B 2685, which would have created a refundable state EITC of \$350 per family for taxpayers eligible for the federal EITC. The bill did not pass this session.</p>
Arkansas	<p>Arkansas does not have a state EITC. The state does have a tax exemption for low-income residents that zeros out tax liability for families with the lowest incomes. The credit is similar to a nonrefundable state EITC, though it does not have a work requirement.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
California	<p>California initially implemented a state EITC, called the CalEITC, in tax year 2015. California is one of only four states whose EITC value is not based on a percentage of the federal credit. The CalEITC is refundable and available to filers who earn less than \$30,950 per year, regardless of household size. The credits phase in and out at different income levels, determined annually by the state legislature. Although the maximum CalEITC a household can receive is equivalent to 85% of the federal credit, most households in California do not receive this amount because the CalEITC begins to phase out around \$10,000 of income and the federal EITC does not fully phase in until over \$12,000 in income. The CalEITC also phases out more quickly than the federal credit. Filers with one dependent who receive the maximum federal credit receive a state EITC of approximately 14% of the federal credit. California has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and to younger tax filers ages 18 to 24.</p> <p>In the last year, legislators introduced A.B. 398, which would have established a minimum CalEITC benefit of \$300. Families making below \$15,000 in tax year 2025 would have received at least the minimum credit if their calculated credit was below \$300. The income threshold below which families receive the minimum credit would have increased over time until it reached \$28,000 in tax year 2028. The bill did not pass this session.</p>

Colorado	<p>Colorado initially implemented a state EITC in tax year 1999. The original credit was refundable and equal to 8.5% of the federal EITC but quickly increased to 10% the following year. Colorado's first EITC was established as a refund mechanism under the Taxpayer's Bill of Rights (TABOR) and therefore required a surplus in any given year for the credit to be dispersed. Without a surplus, the credit was suspended from tax years 2002 to 2004, and TABOR itself was subsequently suspended from 2005 to 2010, effectively ending the state EITC during that time. In 2013, legislators replaced the original EITC with a permanent, refundable EITC equal to 10% of the federal EITC that would begin the year following the next TABOR surplus. The next surplus occurred in 2015, and the state EITC was reimplemented in tax year 2016. Legislators have enacted several increases—though some of them temporary—since 2016.</p> <p>Most recently, legislators set the minimum generosity of the credit at 35% of the federal credit for tax year 2025 and 30% for tax years 2026 and beyond but allow for fluctuations up to 50% of the federal credit depending on the projected state revenue for the tax year. Based on state revenue forecasts, the generosity of the credit will remain 50% of the federal credit for tax year 2025. Colorado has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and younger tax filers ages 18 to 24.</p> <p>In the last year, legislators enacted H.B. 1335, which makes a technical change to the calculations used to determine the generosity of the state EITC and the Family Affordability Tax Credit for tax year 2025 and beyond. The generosity of the credits will now be based on the ratio of projected state revenue for fiscal year 2024-2025 and the projected state revenue for the tax year, instead of the actual revenue for fiscal year 2025-2025, as was previously required. The goal of the change is to ensure both credits will be as generous as possible each year.</p>
Connecticut	<p>Connecticut initially implemented a state EITC in tax year 2011. The original credit was refundable and equal to 30% of the federal EITC. Legislators increased and decreased the value of the credit throughout the 2010s, and taxpayers received temporary, retroactive payments during the pandemic which effectively increased the state EITC to 41.5% of the federal EITC. Beginning in tax year 2023, legislators permanently increased the refundable credit to its current value of 40% of the federal EITC.</p> <p>In the last year, legislators enacted budget bill H.B. 7287, which will add an additional \$250 to the value of the state EITC for families with children. Beginning in tax year 2025, families with at least one child will receive a credit equal to 40% of the federal EITC plus \$250, which is approximately 46% of the federal credit for a family that receives the maximum federal credit and has one child. This change makes Connecticut one of four states whose EITC value is not based solely on a percentage of the federal credit.</p> <p>Legislators introduced H.B. 5419, which would have increased the generosity of the state EITC to 41.5% of the federal credit. Legislators also introduced S.B. 322, which would have eliminated the state's EITC. These bills did not pass this session.</p>
Delaware	<p>Delaware initially implemented a state EITC in tax year 2006. The original credit was nonrefundable and equal to 20% of the federal EITC. In addition to this nonrefundable credit, legislators also implemented a refundable state EITC equal to 4.5% of the federal EITC in tax year 2021. Families can choose whichever option is more beneficial to them.</p> <p>In the last year, legislators introduced H.B. 99, which would have made the state EITC fully refundable and equal to 20% of the federal credit. The bill did not pass this session.</p>

District of Columbia	<p>The District of Columbia initially implemented a state EITC in tax year 2000. The original credit was refundable and equal to 10% of the federal EITC. Council members increased the generosity of the credit several times, and one additional increase is scheduled. The Fiscal Year 2022 budget, which was enacted by council members in 2021, included a provision to incrementally increase the state EITC from 40% to 100% of the federal EITC between tax years 2022 and 2026.</p> <p>This year, the value of the credit increased from 70% to 85% of the federal credit, and it is scheduled to reach 100% of the federal EITC next year. Due to the increased generosity, the maximum credit a household with one child will receive in tax year 2025 is \$649.20 higher than in tax year 2024. The District of Columbia has also expanded eligibility to noncustodial parents between 18 and 30 years old and individuals with an individual taxpayer identification number (ITIN).</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Florida	<p>Florida does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators introduced H.B. 1331, which would have created a refundable state EITC, called the Working Floridians Tax Rebate, equal to 20% of the federal EITC. Families eligible for the federal credit would have been able to apply for the Working Floridians Tax Rebate program. The bill did not pass this session.</p>
Georgia	<p>Georgia does not have a state EITC.</p> <p>In the last year, legislators introduced H.B. 95 and S.B. 67, which would have created a refundable state EITC equal to 20% of the federal EITC, and S.B. 316, which would have created a nonrefundable state EITC worth the same amount. These bills did not pass this session.</p>
Hawaii	<p>Hawaii initially implemented a state EITC in tax year 2018. The original credit was nonrefundable and equal to 20% of the federal EITC. Legislators made the credit refundable and increased the value of the credit to 40% of the federal EITC beginning in tax year 2023.</p> <p>In the last year, legislators introduced H.B. 179, H.B. 182, and S.B. 704, which would have increased the generosity of the state EITC to 50% of the federal credit. Legislators also introduced H.B. 183 and S.B. 1013, which would have increased the generosity of the state EITC to 50% of the federal credit, but only for families with children. Childless adults would still receive a credit worth 40% of the federal EITC. These bills did not pass this session.</p>
Idaho	<p>Idaho does not have a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Illinois	<p>Illinois initially implemented a state EITC in tax year 2000. The original credit was nonrefundable and equal to 5% of the federal EITC. Legislators made the credit refundable effective tax year 2003 and increased its generosity several times until it reached its current value of 20% of the federal EITC in tax year 2023. Illinois has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN), younger tax filers ages 18 to 24, and filers over the age of 65 without dependents.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>

Indiana	<p>Indiana initially implemented a state EITC in tax year 1999. The original credit was refundable and equal to 3.4% of the federal EITC. Legislators increased the value of the credit several times until it reached its current value of 10% of the federal EITC in tax year 2022.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Iowa	<p>Iowa initially implemented a state EITC in tax year 1990. The original credit was nonrefundable and equal to 5% of the federal EITC. Legislators made the credit refundable effective tax year 2007 and increased its generosity several times until it reached its current value of 15% of the federal EITC in tax year 2014.</p> <p>In the last year, legislators introduced H.F. 625, which would have added a sunset date of January 1, 2028 to the state EITC, in addition to sunsetting several other state credits. The bill did not pass this session.</p>
Kansas	<p>Kansas initially implemented a state EITC in tax year 1998. The original credit was refundable and equal to 10% of the federal EITC. Legislators both increased and decreased the value of the credit several times before setting the credit at its current value of 17% of the federal EITC in tax year 2013.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Kentucky	<p>Kentucky does not have a state EITC. The state does have a credit against tax liability that is equal to 100% of tax liability for annual gross incomes less than 100% of the federal poverty level. The credit gradually becomes smaller until income reaches 133% of the federal poverty level. The credit is similar to a nonrefundable state EITC, though it does not have a work requirement.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Louisiana	<p>Louisiana initially implemented a state EITC in tax year 2008. The original credit was refundable and equal to 3.5% of the federal EITC. Legislators increased the value of credit to its current value of 5% of the federal EITC in tax year 2019.</p> <p>In the last year, legislators introduced H.B. 133, which would have increased the generosity of the state EITC to 10% of the federal EITC. Legislators also introduced H.B. 642 and S.B. 149, which would have eliminated the existing credit. These bills did not pass this session.</p>
Maine	<p>Maine initially implemented a state EITC in tax year 2000. The original credit was nonrefundable and equal to 5% of the federal EITC. Legislators made the credit refundable beginning in tax year 2016 and increased its generosity from 5% of the federal EITC to 12% (and 25% for workers without dependents) in tax year 2020. Since tax year 2022, the credit has been equal to 25% of the federal EITC (and 50% for workers without dependents). Maine has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and younger workers ages 18 to 24.</p> <p>In the last year, legislators enacted L.D. 1876, which will create a work group to study the uptake of state tax credits, including the state EITC, and make recommendations to increase the number of eligible families claiming credits. The bill appropriates \$150,000 in general funds to support a coalition of organizations providing free tax assistance in the state.</p>

Maryland	<p>Maryland initially implemented a state EITC in tax year 1987. The original credit was nonrefundable and equal to 50% of the federal EITC. Beginning in tax year 1998, legislators added an option to receive a refundable EITC worth 10% of the federal EITC. Families could choose the new refundable credit or the nonrefundable credit worth 50% of the federal EITC, whichever option was more beneficial to them. Legislators have increased the value of the refundable credit several times. Effective tax year 2023, the value of the credit was permanently increased to 45% of the federal EITC for workers with a qualifying dependent and 100% for workers without a qualifying dependent. Families can choose between the refundable credit or the nonrefundable credit which is still worth 50% of the federal EITC. Maryland has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and younger workers ages 18 to 24.</p> <p>In the last year, legislators introduced H.B. 708, H.B. 1014, S.B. 668, and S.B. 859, which would have expanded eligibility for the state EITC to additional individuals without qualifying children by adjusting the income thresholds and phase-out amounts for those filers. These bills did not pass this session.</p>
Massachusetts	<p>Massachusetts initially implemented a state EITC in tax year 1997. The original credit was refundable and equal to 10% of the federal EITC. Legislators have increased the value of the credit several times, most recently to 40% effective tax year 2023. Massachusetts has also expanded eligibility to victims of domestic violence who are married and filing separately.</p> <p>In the last year, legislators introduced H.B. 4622, which would expand eligibility for the state EITC to individuals with an individual taxpayer identification number (ITIN). Legislators also introduced H.B. 3073, S.B. 1957, and S.B. 1975, which would increase the generosity of the state EITC to 50% of the federal credit in addition to making filers with an ITIN eligible. H.B. 3073 and S.B. 1975 would also expand eligibility for the credit to younger tax filers between the ages of 18 and 24. As of September 2025, these bills had not passed.</p>
Michigan	<p>Michigan initially implemented a state EITC in tax year 2008. The original credit was refundable and equal to 10% of the federal EITC. Legislators increased the credit to 20% of the federal EITC in tax year 2009 before they decreased it to 6% in tax year 2012. The credit remained at 6% until tax year 2023 when legislators increased the refundable credit to its current value of 30% of the federal EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Minnesota	<p>Minnesota initially implemented a state EITC in tax year 1991. The original credit was refundable and equal to 10% of the federal EITC. In 2023, the legislature enacted significant changes to the state EITC, called the Working Family Credit, to complement a newly created, generous state CTC. Legislators changed the credit such that it is now based on a percentage of income rather than a percentage of the federal credit. Minnesota is one of only four states whose EITC is not based on a percentage of the federal credit. Beginning in tax year 2023, the maximum credit filers could receive was \$350, but the credit is updated annually to adjust for inflation. As of tax year 2024, the maximum value of the credit is \$369. For filers who receive the maximum state credit, the credit is worth approximately 5% to 9% of the federal credit. Because Minnesota's credit phases out differently than the federal credit, across all state EITC recipients with one dependent, the credit is worth between 8% and 12% of the federal credit. Minnesota has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and younger workers ages 18 to 24.</p> <p>In the last year, legislators introduced H.F. 2339, which would have increased the income thresholds over which the state EITC and CTC are jointly phased down, providing the maximum value of the credits to more families. Legislators also introduced S.F. 2101, which would have repealed the requirement to make annual inflationary adjustment to the state EITC and to the state child tax credit (CTC). In effect, the bill would have frozen the maximum state EITC at \$350 per family. Finally, legislators introduced S.F. 2103, which would have made the state EITC and the state CTC, both of which are fully refundable, nonrefundable. These bills did not pass this session.</p>

Mississippi	<p>Mississippi does not have a state EITC.</p> <p>In the last year, legislators introduced H.B. 228 and H.B. 1106, which would have created a refundable state EITC equal to 10% of the federal credit. Legislators also introduced H.B. 721 and S.B. 2085, which would have created refundable state EITCs worth 5% and 20% of the federal credit respectively. These bills did not pass this session.</p>
Missouri	<p>Missouri initially implemented a state EITC in tax year 2023. The original credit was nonrefundable and equal to 10% of the federal EITC but increased to its current value of 20% of the federal credit the following year based on the original enacting legislation.</p> <p>In the last year, legislators introduced H.B. 1478, H.B. 1479, H.B. 1553, H.B. 1565, and H.B. 1571, which would have made the state EITC fully refundable. Legislators also introduced H.B. 798 and S.B. 163, which would have eliminated the state EITC as a part of a larger tax package. These bills did not pass this session.</p>
Montana	<p>Montana initially implemented a state EITC in tax year 2019. The original credit was refundable and equal to 3% of the federal EITC. The credit increased to its current value of 10% of the federal EITC in tax year 2024.</p> <p>In the last year, legislators enacted H.B. 337, which will increase the generosity of the state EITC to 20% of the federal credit beginning in tax year 2026. The bill also included adjustments to the state's income tax rate and income tiers. Legislators introduced S.B. 323, which would have increased the generosity of the state credit to 15% of the federal credit. The bill did not pass this session.</p>
Nebraska	<p>Nebraska initially implemented a state EITC in tax year 2006. The original credit was refundable and equal to 8% of the federal EITC. The credit increased to its current value of 10% of the federal EITC in tax year 2007.</p> <p>In the last year, legislators introduced S.B. 710, which would have increased the generosity of the state EITC to 20% of the federal credit. The bill did not pass this session.</p>
Nevada	<p>Nevada does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
New Hampshire	<p>New Hampshire does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
New Jersey	<p>New Jersey initially implemented a state EITC in tax year 2000. The original credit was refundable and equal to 10% of the federal EITC. Legislators have increased the generosity of the credit several times, including the most recent increase to 40% of the federal EITC effective tax year 2020. New Jersey has also expanded eligibility to include younger workers ages 18 to 24.</p> <p>In the last year, legislators introduced A.5953, which would expand eligibility for the state EITC to victims of domestic abuse that are married and filing separately. As of September 2025, the bill had not passed.</p>

New Mexico	<p>New Mexico initially implemented a state EITC, called the Working Families Tax Credit, in tax year 2008. The original credit was refundable and equal to 8% of the federal EITC but increased to 10% of the federal credit the following year. Legislators expanded the credit several times until it reached its current value of 25% of the federal EITC in tax year 2023. New Mexico has also expanded eligibility to include individuals with an individual taxpayer identification number (ITIN) and younger workers ages 18 to 24.</p> <p>In the last year, legislators passed H.B. 14, which would have repealed the Working Families Tax Credit and introduced a new state EITC with a different structure that was more generous to most families than the current credit. The new structure would not have been based on the federal credit, and instead the state would have set its own phase out thresholds and generosity levels for families of different sizes. The bill, which was a large package of tax changes, was vetoed by Governor Lujan Grisham.</p>
New York	<p>New York initially implemented a state EITC in tax year 1994. The original credit was refundable and equal to 7.5% of the federal EITC. Legislators expanded the credit several times until it reached its current value of 30% in tax year 2003. New York has also expanded eligibility to include noncustodial parents. Since 2003, the state has also allowed cities with a population of 1 million or greater to adopt a city-level EITC of 5% of the federal EITC, which New York City has done.</p> <p>In the last year, legislators introduced A.B. 2498 and S.B. 6839, which would have increased the generosity of the state EITC to 45% of the federal EITC. Legislators also introduced S.B. 2082, which would have phased out the current structure of the state EITC that is based on the federal credit between tax years 2026 and 2030 and phased in a Working Families Tax Credit that would have provided a credit based on the number of dependents in a household. A.B. 6000 and S.B. 4425 would have expanded eligibility to younger filers between the ages of 18 and 24 and allowed for advanced payments of the credit. Finally, S.B. 3648 would have established a system by which the state could provide advanced payments of the state EITC. These bills did not pass this session.</p>
North Carolina	<p>North Carolina does not have a state EITC. North Carolina previously implemented a refundable state EITC valued between 3.5% and 5% of the federal credit from tax years 2008 to 2013. Legislators eliminated the credit effective tax year 2014.</p> <p>In the last year, legislators introduced H.B. 339, S.B. 211, and S.B. 326, which would have reinstated the refundable state EITC at its previous value of 5% of the federal credit. Legislators also introduced S.B. 304 and H.B. 181, which would have reestablished a state EITC equal to 10% and 20% of the federal credit respectively. Similarly, the Governor's introduced budget, S.B. 440 would have recreated a state EITC equal to 20% of the federal credit. These bills did not pass this session.</p>
North Dakota	<p>North Dakota does not have a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Ohio	<p>Ohio initially implemented a state EITC in tax year 2013. The original credit was nonrefundable and equal to 5% of the federal EITC. The nonrefundable credit most recently increased to 30% of the federal EITC beginning in tax year 2019.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Oklahoma	<p>Oklahoma initially implemented a state EITC in tax year 2002. The original credit was refundable and equal to 5% of the federal EITC. Given budget constraints, legislators made the state EITC nonrefundable between tax years 2016 and 2021. The credit became refundable again effective tax year 2022.</p> <p>In the last year, legislators introduced H.B. 2229, which would have increased the generosity of the state EITC to 10% of the federal credit. The bill did not pass this session.</p>

Oregon	<p>Oregon initially implemented a state EITC in tax year 1997. The original credit was nonrefundable and equal to 5% of the federal EITC. Legislators made the credit refundable in tax year 2006 and increased its generosity several times. Beginning in tax year 2017, families with children under age 3 qualified for a larger credit equal to 11% of the federal EITC. Legislators increased the credit to its current value of 12% of the federal EITC for families with children under age 3 (and 9% for other workers) for tax years 2020 through 2025. Oregon also temporarily expanded eligibility to include individuals with individual taxpayer identification numbers (ITINs) for the same time period. Beginning in tax year 2026, the credit will revert back to 11% of the federal credit for families with children (and 8% for other workers), and filers with an ITIN will no longer be eligible.</p> <p>In the last year, legislators introduced H.B. 2091 and S.B. 121, which would have extended the generosity increase and eligibility expansion to filers with an ITIN through tax year 2031. Legislators also introduced H.B. 2958, which would have expanded eligibility to younger tax filers ages 18 to 24 and increased the generosity of the credit to 25% of the federal credit for families with children under age 3 and 20% for all other families. H.B. 3120 would have increased the generosity of the credit to 18% of the federal credit for families with children under age 3, 15% for families with children under age 6, and 12% for all other families. Additionally, H.B. 3691 would have required taxpayers to have a social security number to claim the state EITC, which would have made filers with an ITIN ineligible. Finally, legislators introduced H.B. 2991, which would have appropriated \$14 million in general funds for outreach efforts and tax preparation services. These bills did not pass this session.</p>
Pennsylvania	<p>Pennsylvania does not have a state EITC. The state does have a tax forgiveness program, which eliminates a percentage of state personal income tax liability based on a family's income, marital status, and number of dependents, and which is similar to a nonrefundable EITC.</p> <p>In the last year, legislators introduced H.B. 820, which would create a refundable state EITC equal to 30% of the federal credit. The bill passed the House, but as of September 2025, had not passed the Senate.</p>
Rhode Island	<p>Rhode Island initially implemented a nonrefundable state EITC in tax year 1986. In tax year 2003, the credit was made partially refundable: families could receive a nonrefundable credit equal to 25% of the federal EITC, and if the value of the credit exceeded their tax liability, could receive up to 5% of the federal EITC as a refund. In tax year 2014, legislators made the credit fully refundable but decreased the value of the credit to 10%. The value of the credit increased in subsequent years to its current value of 16% of the federal EITC in tax year 2024.</p> <p>In the last year, legislators introduced H.B. 5760 and S.B. 244, which would have increased the generosity of the state EITC to 20% of the federal credit. These bills did not pass this session.</p>
South Carolina	<p>South Carolina initially implemented a state EITC in tax year 2018. The original credit was nonrefundable and worth 20.83% of the federal EITC. The nonrefundable credit was designed to be phased in over 6 years (in cumulative installments of 20.83%) until it reached its current value of 125% of the federal EITC in tax year 2023.</p> <p>In the last year, legislators introduced H.B. 3492, which would have made the existing state EITC partially refundable. If a family owed less than 125% of the federal credit, that family would receive a partial refund. The partial refund would be worth 25% of the difference between the value of the credit and the amount the family owed in taxes. The bill did not pass this session.</p>
South Dakota	<p>South Dakota does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>

Tennessee	<p>Tennessee does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Texas	<p>Texas does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Utah	<p>Utah initially implemented a state EITC in tax year 2022. The original credit was nonrefundable and equal to 15% of the federal EITC. Legislators increased the generosity of the nonrefundable credit to 20% of the federal credit effective tax year 2023.</p> <p>In the last year, legislators introduced S.B. 244, which would have made the existing nonrefundable credit refundable. The bill did not pass this session.</p>
Vermont	<p>Vermont initially implemented a state EITC in tax year 1998. The original credit was refundable and equal to 23% of the federal EITC. Legislators increased the generosity of the refundable credit several times until it reached its current value of 38% of the federal EITC in tax year 2022. Vermont has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN).</p> <p>In the last year, legislators enacted S.B. 51, which will increase the generosity of the state EITC for childless adults to 100% of the federal EITC beginning in tax year 2026. The bill does not impact the generosity of the credit for filers with children.</p> <p>Additionally, legislators introduced H.B. 90, which would have increased the generosity of the state EITC to 55% of the federal credit for families with a child and 100% of the federal credit for other filers. Legislators also introduced H.B. 135 and H.B. 483, which would have increased the generosity of the credit for childless adults to 100% of the federal credit. H.B. 135 would have also made individuals with an ITIN ineligible for the credit. These bills did not pass this session.</p>
Virginia	<p>Virginia initially implemented a state EITC in tax year 2006. The original credit was nonrefundable and equal to 20% of the federal EITC. In addition to this nonrefundable credit, legislators also implemented a refundable state EITC equal to 15% of the federal EITC in tax year 2022.</p> <p>In the last year, legislators enacted budget bill, H.B. 1600, which increased the value of the refundable portion of the credit to 20% of the federal credit, making the state EITC fully refundable. Due to the increased generosity, the maximum credit a household with one child will receive in tax year 2025 is \$216.40 higher than in tax year 2024.</p> <p>Legislators also introduced H.B. 621, H.B. 1717, and S.B. 810, which would have made the state EITC fully refundable and would have expanded eligibility to individuals with an individual taxpayer identification number (ITIN). S.B. 183 would have also expanded eligibility to filers with an ITIN. These bills did not pass this session.</p>

Washington	<p>Washington first passed legislation to create a state EITC, called the Working Families Tax Credit, in 2009, but the credit was not implemented until tax year 2022 when legislators funded the program. The credit is refundable and filers with one dependent who receive the maximum federal credit receive a state EITC of approximately 15% of the federal credit.</p> <p>Washington is the first and only state without an income tax to implement a refundable state EITC. Additionally, Washington is one of four states whose EITC value is not based on a percentage of the federal credit. Washington's credit is a tax rebate worth between \$50 and \$1,290 depending on the number of dependents. The maximum credit is \$325 for a worker without qualifying dependents, \$640 for one dependent, \$965 for two dependents, and \$1,290 for three dependents for tax year 2024. The values are updated annually for inflation and the credit phases out relative to the federal EITC income thresholds. Washington has also expanded eligibility to individuals with an individual taxpayer identification number (ITIN) and taxpayers who are married and filing separately.</p> <p>In the last year, legislators introduced H.B. 1214 and S.B. 5768, which would have expanded eligibility for the state Working Families Tax Credit to younger tax filers between the ages of 18 and 24. Legislators also introduced H.B. 2025 and S.B. 5771, which would have provided an additional \$300 to families that claim the credit that are also renters. These bills did not pass this session.</p>
West Virginia	<p>West Virginia does not have a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>
Wisconsin	<p>Wisconsin initially implemented a state EITC in tax year 1984. The original credit was nonrefundable and equal to 30% of the federal credit. The credit was eliminated between tax years 1986 and 1988 but reestablished as a refundable credit in tax year 1989 with varying generosity, between 5% and 75% of the federal EITC, depending on the number of dependents in the family. Since tax year 2020, the value of the credit has been 4% of the federal EITC for families with one qualifying child, 11% for families with two qualifying children, and 34% for families with three or more qualifying children.</p> <p>In the last year, legislators introduced A.B. 20 and S.B. 20, which would expand eligibility for the state EITC to victims of domestic abuse that are married and filing separately. As of September 2025, the bills had not passed.</p>
Wyoming	<p>Wyoming does not have a state EITC, and the state does not have an income tax, which is the typical mechanism used to finance and provide administrative structure for a state EITC.</p> <p>In the last year, legislators did not introduce any bills related to a state EITC.</p>