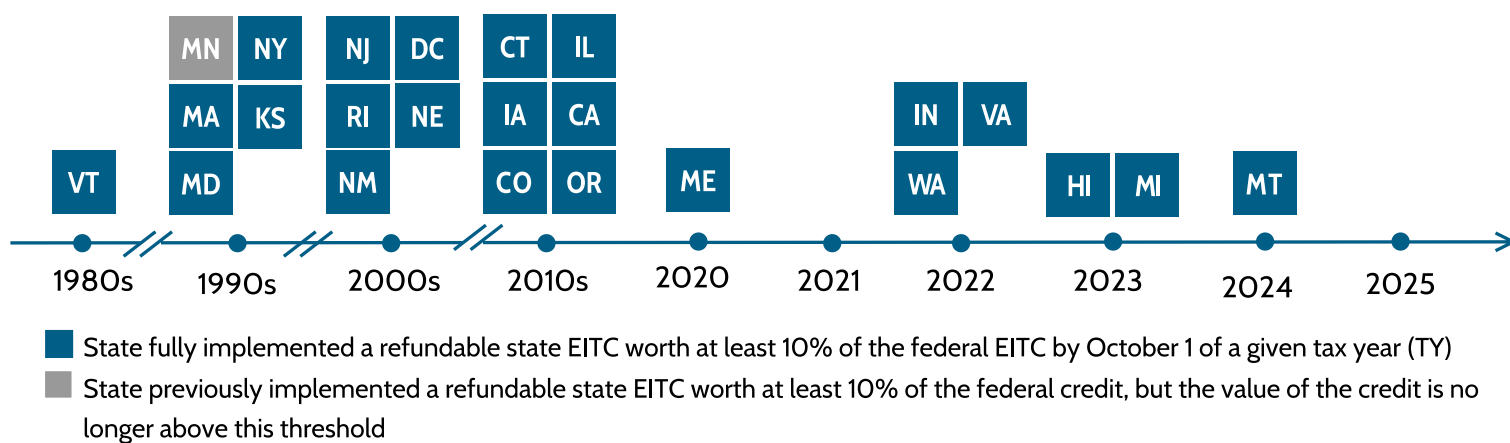


Earned Income Tax Credits Across States

State earned income tax credits (EITCs) are supplements to the federal EITC, which is a refundable tax credit designed to incentivize work and help employees with low to moderate incomes keep more of their wages. Providing a refundable state EITC of at least 10% of the federal credit is a proven policy solution to promote healthier and more equitable birth outcomes, increase parents' workforce participation, and improve household economic security.

Which States Have Fully Implemented a Refundable Earned Income Tax Credit of at Least 10%?

As of September 2025, **23 states have fully implemented a refundable state EITC of at least 10% of the federal credit**. In the last year, no states newly implemented a state EITC that meets these criteria.



Note: Minnesota previously implemented a state EITC of at least 10% of the federal credit. The credit was reduced to less than 10% of the federal credit in tax year 2023 as a part of broader reform to tax credits, including a substantial increase in the child tax credit.

Source: State income tax statutes. For additional details, please see [Methods and Sources](#).

The [2025 Prenatal-to-3 State Policy Roadmap](#) details states' progress toward adopting and implementing policies that are proven to impact the prenatal-to-3 system of care, including the state EITC.

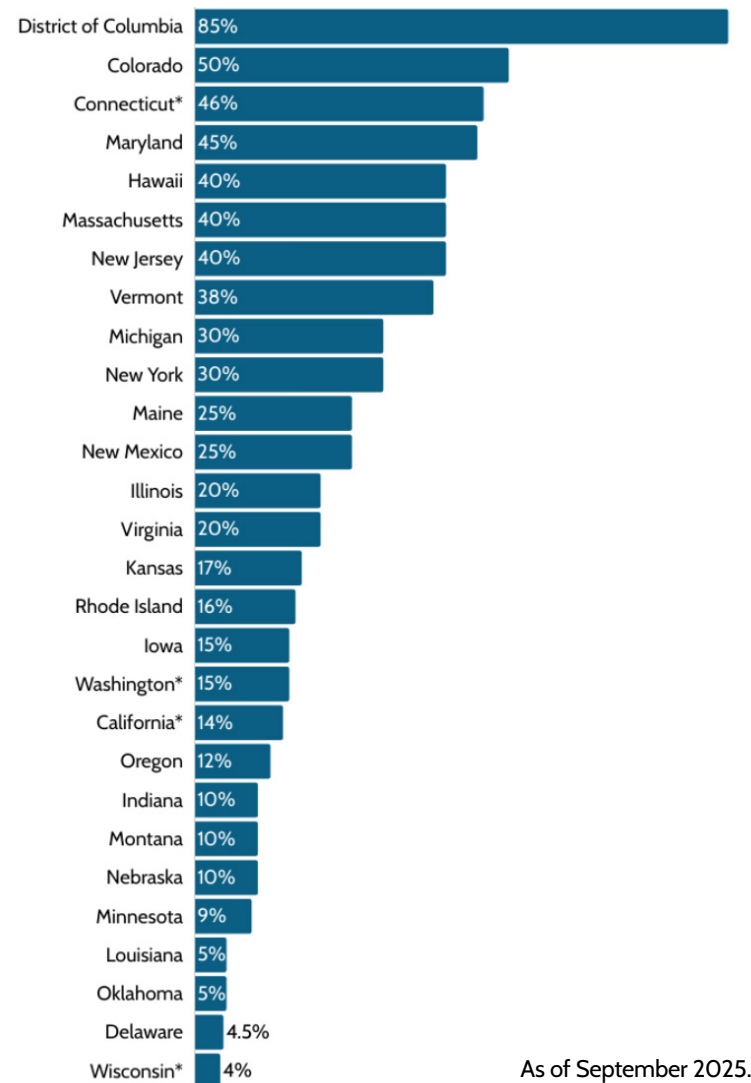
How Do State Earned Income Tax Credits Vary Across States?

[State policy choices](#) can impact the degree to which families benefit from state EITCs. EITC value, refundability, and eligibility vary across states that provide the credit. States have the authority to determine who is eligible for their EITC and although many states align their EITC eligibility criteria with the federal eligibility guidelines, some also expand eligibility to additional populations, such as Individual Taxpayer Identification Number (ITIN) holders and younger filers.

Most state EITCs are calculated as a percentage of the federal EITC, though some states base their EITC on household income level, and others include household size in their calculation.

Variation Across States in Refundable EITC Generosity

Value of the state EITC as a percent of the federal EITC



As of September 2025.

What Policy Progress Have States Made in the Last Year?

In the last year, **27 states introduced legislation to establish or expand a state EITC.**

- Legislators in 5 states (Florida, Georgia, Mississippi, North Carolina, and Pennsylvania) introduced bills to establish a new, refundable, state EITC of at least 10% of the federal credit. None of these bills were enacted.
- Notably, Florida does not have an income tax, which is the typical mechanism states use to fund and administer state EITCs. Florida legislators proposed to offer rebates on other state taxes to families with low or moderate incomes, which would function as a state EITC. This is similar to Washington's Working Families Tax Credit.
- Legislators in Connecticut and Virginia increased the value of their state EITCs through the state budget. Connecticut legislators increased the value of the state EITC by \$250 for families with at least one child, and Virginia legislators increased the refundable portion of the state EITC from 15% to 20% of the federal credit, making the credit fully refundable.
- Montana legislators doubled the value of the state EITC from 10% to 20% of the federal credit, effective tax year 2026.
- The District of Columbia implemented a previously enacted increase of its EITC, raising the value from 70% to 85% of the federal credit.

State Child Tax Credit (CTC)

In addition to state EITCs, state CTCs are a promising strategy for supporting children and their families. For more information about state progress on CTCs, visit our [2025 Roadmap profile](#) and read our [state CTC progress narratives](#).

[Visit the Roadmap to learn more!](#)

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