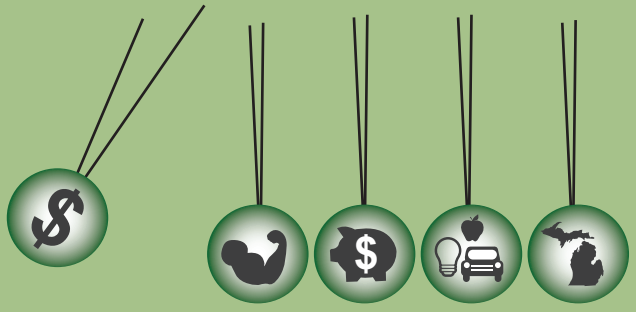
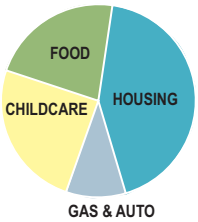
UNDERSTANDING THE IMPACT OF THE EARNED INCOME TAX CREDIT IN MICHIGAN



Making Ends Meet

Low- to moderate-income people struggle to afford and maintain basic needs.



AVERAGE BASIC EXPENSES[1]

$24,434

WITHOUT GOVERNMENT ASSISTANCE

MEDIAN INCOME

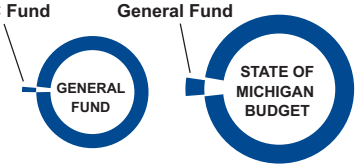
$16,952	FULL TIME MINIMUM WAGE
$17,725	AVERAGE EITC USER
$48,411	MICHIGAN

Government Investment

$143
Average EITC[2] Return

1.7%
EITC Fund

General Fund



The Michigan Earned Income Tax Credit offsets taxes and rewards hard work for low- to moderate-income working people.

Narrow the Gap

$143 can reduce the stress of monthly bills and build an emergency account.

52
Gallons of Gas

14
Hours of Childcare

1
Car payment and 1.5 car insurance payments

at least

1
month utility payment

1
week of groceries

Avoid Crisis

2
Doctors Visits

17.5
Hours of Work
At a minimum wage job

Basic Auto & Home Repairs
Including auto break pads, head and tail lights, home appliance maintenance and minor plumbing, to name a few.

4.5
Oil Changes

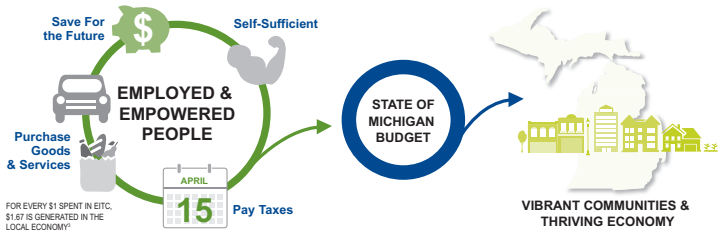
3
Car Tires

Financially vulnerable populations face greater risks with crises of any size.

$143 can help defray added cost burdens and protect employment.

Empowerment

Lessening financial stress and creating opportunities to maintain financial security is a win-win for both individuals and Michigan.



This infographic was created by the Community Economic Development Association of Michigan (CEDAM).
To learn more, visit cedam.info.

All information was calculated using average prices for modest accomodations for a single person.

Sources:
[1]http://nlihc.org/oor/2014/MI | http://aspe.hhs.gov/hsp/child-care99/mi-rpt.htm | http://www.michigangasprices.com/Prices_Nationally.aspx | http://www.cnpp.usda.gov/reports-publications
[2]February 2015. MEITC Office of Revenue and Tax Analysis. Michigan Department of Treasury Report.
[3]http://www.mlpp.org/wp-content/uploads/2010/07/MI-EITC-Brief.pdf

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