

## Points of View: Elaine Mejia and Meg Gray on North Carolina's EITC Victory

More than twenty states now allow an Earned Income Tax Credit (EITC) based on the federal credit. Among the latest success stories is North Carolina, which enacted a refundable EITC this year. The North Carolina Budget and Tax Center's Elaine Mejia and Meg Gray tell us about their experience educating lawmakers and the public about this important anti-poverty strategy.

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**Q: Congratulations on this victory! Can you share some of the strategies that made it possible?**

**A:** Having a broad-based coalition supporting the EITC was critical. In late 2006, we formed a coalition of groups with diverse constituencies, which helped to emphasize the breadth of support for an EITC and enabled us to speak with a more unified voice on this issue. The coalition included educators, the AARP, children's groups, the NAACP, the League of Women Voters, the Council of Churches and the AFL-CIO.

**Q: What types of outreach efforts helped to get your message across?**

**A:** We hand-delivered messages and reports to legislative offices throughout the session, and sent frequent email alerts to grassroots networks across the state. At every possible moment when there was something going on that was moving us away from a refundable EITC, and towards a less targeted tax cut, we let people know about it. We knew making the EITC refundable was an important component of the credit, and we communicated with people to let them know if that aspect of the credit was in danger.

**Q: What types of research and educational materials did you develop?**

**A:** As the 2007 session began, we released a major report on options for a state EITC. The report focused on the ability of the EITC to pull working families above the poverty line, and we provided new information on how much working families would get from a state EITC, and how much the credit would cost. But as the session went on, we also did smaller, quick-response analyses that were precisely targeted to analyzing specific tax proposals. This was essential because the legislative situation was changing almost daily for a while. We also tried, whenever possible, to make sure that the materials we developed were very personalized for the audience we were reaching. For example, we told legislators and advocates how many people in their district would get the EITC and what the average credit would be.

**Q: How will you build on this victory?**

**A:** We would certainly like to build on this initial success by expanding the credit. But we are also taking advantage of the heightened visibility of tax issues to do more work on broader, comprehensive tax reform strategies. We want to emphasize ways of making our tax system more sustainable, whether it's eliminating loopholes in the corporate tax and sales tax or making the state income tax more progressive.

**Q: What advice do you have for other advocates working to introduce or expand their own state's EITC?**

**A:** Don't let short-term political realities deter you. We laid the groundwork for this success with a long-term effort, and the credit has always been part of our legislative agenda. And the result was that, when leading elected officials finally made targeted low-income tax cuts a policy priority earlier this year, we were well-positioned to be a credible voice on why the EITC was the right anti-poverty strategy. It's obviously important to take advantage when the political stars align, but don't wait for it to happen! ♦

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