Dear Chair Frame and members of the House Finance Committee,

The Washington State Budget & Policy Center submits the following written testimony in support of HB 2096. The Budget & Policy Center is a member of the Working Families Tax Credit Coalition, a coalition of more than 45 organizations across the state.

The legislature’s historic investment in the Working Families Tax Credit will provide stability to hundreds of thousands of households, further Washington’s racial equity goals, and promote economic activity. The Center supports a successful and equitable foundation for the Working Families Tax Credit.

We thus write in support of HB 2096 so that the Department of Revenue is able to streamline administration of the Working Families Tax Credit. This legislation makes important clarifications to achieve this goal, such as differentiating “prior year” and “prior federal tax year.”

The Washington State Budget & Policy Center additionally supports strengthening the legislation with language that would further clarify eligibility for filers who would need to use an individual tax identification number, or ITIN, to claim the state credit. Nationally, ITIN filers are experiencing delays due to a federal backlog processing ITIN applications and renewals. This may pose a barrier for ITIN filers who may attempt to access the Working Families Tax Credit but run into problems awaiting a valid ITIN at no fault of their own.

Thank you for supporting the Working Families Tax Credit and for your service to the people of Washington state.

Sincerely,

Margaret Babayan, on behalf of the Washington State Budget & Policy Center