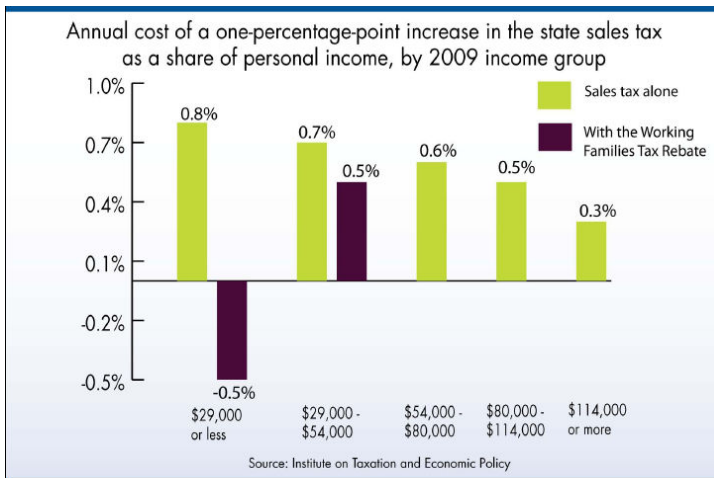


# Help Washington Families Build Financial Security

## Fund Working Families Tax Rebate

### Why the WFTR is Needed

Families with lower incomes in Washington State pay a larger share of their income toward state and local taxes than low income households in any other state. In 2008, the Washington State Legislature created the Working Families Rebate (WFTR) in an effort to create a more equitable tax structure.



### How It Works

The WFTR would refund a portion of the state retail sales tax to all Washington households that qualify for the federal Earned Income Tax Credit. Because eligibility is based on the EITC, it has potential to be easily implemented and administered.

### WFTR Would Put Millions of Dollars into the Pockets of Working Families

Statewide, 12 percent of households— more than 370,000— would be eligible for the tax rebate. See *reverse side for district specific numbers*.

For lower income families, the average tax cut would be more than \$200. The poorest fifth of families with children in Washington would receive an annual rebate of over \$200, and some families would get more than \$500.

### Next Steps

The State has already invested \$1.2 million for the Department of Revenue to create an efficient delivery system for the rebate.

The final step required is to fully fund the rebate so that, beginning in 2012, working families can start shouldering a proportionate share of taxes.

### Policy Recommendation:

Fully fund the Working Families Tax Rebate for low income families giving them the equivalent of 10% of federal EITC.



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