

# Working Families Tax Credit

Business Advisory Council  
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# Disclaimer

This document does not constitute official guidance from the Department of Revenue and should not be relied upon for determining eligibility for tax credits or interpreting tax laws.

# Current Law - RCW 82.08.0206

- Adoption
- Eligibility
- Federal Earned Income Tax Credit
- Payments

# Chapter 195, Laws of 2021

- Background
- Changes to Current Law
  - Expansion
  - Payments
    - ✓ \$300 - \$1200
    - ✓ Adjusted for inflation
    - ✓ Reduced as income increases

# Phase-out Chart – Single Filer

Tax Year 2022	Base Credit	Phase-out Begins	Phase-out Amount	Phase-out Ends
No children	\$300	\$13,791	\$0.18	\$15,458
1 child	\$600	\$37,980	\$0.12	\$42,980
2 children	\$900	\$43,849	\$0.15	\$49,849
> 2 children	\$1200	\$47,467	\$0.18	\$54,134

## Phase-out Example – Single Filer

Income	\$14,000.00
Phase-out income threshold	– \$13,791.00
Amount above threshold	= \$209.00
Reduction rate	× 18%
Amount reduced from base credit	= \$37.62
Base credit	\$300.00
Reduction	– \$37.62
Amount of payment	\$262.38

## Slide 6

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**MB(4)**

Isn't this the same as the previous slide?

Mills, Beth (DOR), 06/11/2021

**KT(1)**

This is the same as the previous slide - I think this version looks better.

Konschuh, Trice (DOR), 06/11/2021







# Program Review

- Joint Legislative Audit and Review Committee
- Metrics
- Program Expiration



# Costs

- Administration
- Impact to DOR
- Payments



# Implementation

- Work to Date
- Communication
- Next Steps

# Resources

Working Families Tax Credit 2021 legislation

- [ESHB 1297](#)

Working Families Tax Credit statute

- [RCW 82.08.0206](#)

Information on the department's website

- [WFTC](#)



Questions?