United States Senate

WASHINGTON, DC 20510

July 26, 2013

The Honorable Max Baucus
Chairman
U.S. Senate Finance Committee
219 Dirksen Senate Office Building Washington, D.C. 20510

The Honorable Orrin G. Hatch
Ranking Member
U.S. Senate Finance Committee
219 Dirksen Senate Office Building Washington, D.C. 20510

Dear Chairman Baucus and Ranking Member Hatch,

Our military takes on the ultimate responsibility of protecting our nation, yet many military families struggle to make ends meet, especially veterans after their military service. We are writing to bring new research to your attention showing that many active-duty and veteran families rely on two of the most effective tax credits for working families with low or moderate incomes: the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC).

About *one in four* current or former military families with children, or about 1.5 million families, receive one of the credits, according to an analysis of Census and IRS data. In about 280,000 of these families, a parent is now serving in the armed forces; in the rest, a parent is a veteran.

For many military families, these credits make a major difference to their economic security:

- The EITC and CTC together keep more than 140,000 military families — with nearly 300,000 children and 600,000 total family members — from falling below the poverty line.

- Another 800,000 members of military families still live below the poverty line and use these credits to help pay for rent, food, and other essentials.

These figures reflect the important temporary improvements that Congress has made in the credits in recent years. It is critical to maintain these credits, including the recent improvements, so we can continue providing needed support for military families and many other struggling working families.

This nation fully understands the sacrifices that our service members make to keep our country safe. And we recognize that they do not make these sacrifices alone. When our troops are called to action, so too are their families. That's why supporting military families, both during and after their service, must be a public policy priority.

Sincerely,

Mary L. Landrieu
United States Senator

Kay R. Hagan
United States Senator

Mark L. Pryor
United States Senator

Brian Schatz
United States Senator

Tim Johnson
United States Senator

Tom Udall
United States Senator

Edward J. Markey
United States Senator

Elizabeth Warren
United States Senator

Angus S. King, Jr.
United States Senator

Tammy Baldwin
United States Senator