

Testimony to the Senate Finance Committee On the CTC and EITC

Chair Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee, thank you for your time.

My name is Lauren Schenk, and I am an Organizer with Northern Ohioans for Budget Equality. Throughout this budget process, I've had the privilege of speaking with many families who are directly impacted by the decisions made in this room. From these conversations, one thing has become clear: tax credits like the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) are among the most effective tools we have to support working families.

Today, I'm here to respectfully urge you to make the Ohio Earned Income Tax Credit refundable and to follow the Governor's plan to create a state Child Tax Credit.

Ohio is one of 31 states, plus D.C. and Puerto Rico, that offers a state EITC. However, we are one of only five states where the credit is nonrefundable. This limits its potential. In contrast, states with refundable EITCs have seen measurable improvements in birth outcomes and women's health. Increasing household income, especially when children are young, has long-term benefits for health, education, and economic success. Making Ohio's EITC refundable would directly improve the lives of thousands of children and families.

The same is true for a state Child Tax Credit. Fifteen states, including traditionally conservative ones like Utah, Idaho, and Oklahoma, have adopted a state CTC. In Ohio, nearly 18% of children live in poverty. According to the Institute on Taxation and Economic Policy, a state CTC, combined with the federal credit, could reduce child poverty in Ohio by 25–50%.

We are advocating for targeted investments that put money directly into the hands of those who need it most. This is not only a fiscally responsible strategy—it is a moral imperative. By making the Earned Income Tax Credit refundable and creating a state Child Tax Credit, you can help lift thousands of families out of poverty and build a stronger future for all Ohioans.

Once again, we urge you: make Ohio's Earned Income Tax Credit refundable, and establish a state Child Tax Credit—two of the most effective tools we have to support working families in this state.

Thank you again for your time and consideration.