

Earned Income Tax Credit Supports Virginia's Working Families

Updated District and Locality Data

By Chris Wodicka

In December 2021, then-Gov. Northam proposed making Virginia's state Earned Income Tax Credit (EITC) partially refundable. If enacted, this change would help provide larger tax refunds to working families across the commonwealth, which would help them put food on the table, keep up with utility bills, and afford other necessities. During the COVID-19 health and economic crisis, direct income support has been an effective tool in supporting families and our economy. Policies like strengthening Virginia's EITC would help working people in Virginia provide for themselves and their families.

The Virginia EITC is a state version of the federal EITC, a tax credit available to working families with incomes below certain levels, and the credit amount varies by filing status (single or married joint), family size, and income. About 600,000 working families in Virginia receive the federal EITC, and they are also able to receive a state EITC that matches up to 20% of their federal credit. Because Virginia's state EITC is not refundable, most families who qualify for the credit do not receive the full amount of the state EITC. A refundable state EITC would provide them a larger tax refund and help to offset sales, excise, and property taxes paid, which contribute to Virginia's tax code being upside down.

The current restrictions limit the effectiveness of the state EITC, with particularly negative consequences for racial equity. The state's Commission to Examine Racial and Economic Inequity in Virginia Law recently recommended that the state enact a partially refundable EITC, noting that the policy "would help to increase incomes for working families in Virginia, particularly for Black and Latinx families who, and despite working, are more likely to be excluded from the current nonrefundable credit due to having low incomes."

Refundable credits like the EITC are critical for reaching families with low incomes, who would see little to no benefit from other proposed tax policies that would primarily benefit middle-income tax filers, such as increasing the state standard deduction.

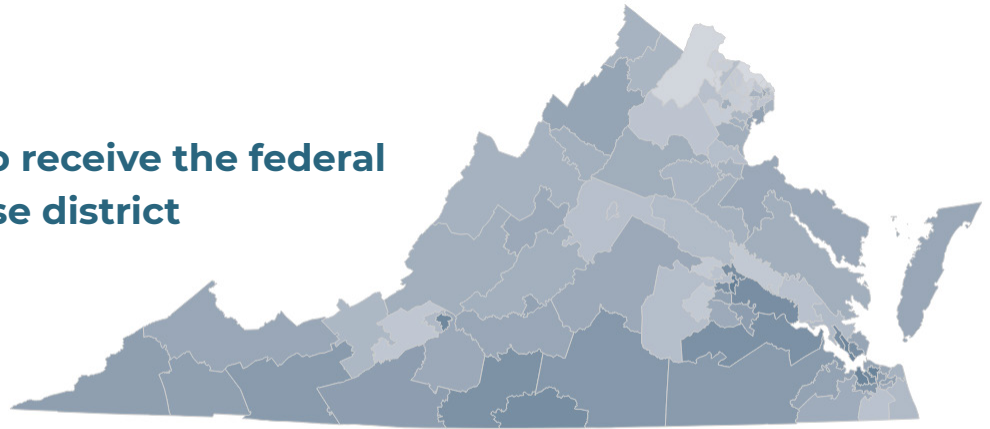
During the 2022 General Assembly session, Virginia policymakers have an opportunity to enact a partially refundable EITC and support working families.

Refundable credits like the EITC are critical for reaching families with low incomes.

Families who receive the federal EITC by House district

| House District | EITC Recipients | House District | EITC Recipients | House District | EITC Recipients | House District | EITC Recipients |
|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|
| 1 | 1,500 | 26 | 1,800 | 51 | 6,800 | 76 | 7,400 |
| 2 | 1,800 | 27 | 4,500 | 52 | 7,200 | 77 | 9,300 |
| 3 | 5,100 | 28 | 2,900 | 53 | 6,000 | 78 | 4,700 |
| 4 | 6,700 | 29 | 2,700 | 54 | 4,400 | 79 | 11,100 |
| 5 | 3,800 | 30 | 1,800 | 55 | 4,400 | 80 | 9,400 |
| 6 | 1,400 | 31 | 5,400 | 56 | 6,600 | 81 | 9,500 |
| 7 | 3,300 | 32 | 5,700 | 57 | 3,400 | 82 | 9,200 |
| 8 | 3,300 | 33 | 7,000 | 58 | 4,200 | 83 | 8,100 |
| 9 | 3,500 | 34 | 6,000 | 59 | 4,900 | 84 | 7,200 |
| 10 | 3,100 | 35 | 5,800 | 60 | 3,500 | 85 | 10,300 |
| 11 | 2,800 | 36 | 6,600 | 61 | 4,000 | 86 | 6,900 |
| 12 | 2,400 | 37 | 6,100 | 62 | 6,200 | 87 | 9,400 |
| 13 | 3,800 | 38 | 10,100 | 63 | 5,500 | 88 | 10,600 |
| 14 | 5,700 | 39 | 6,600 | 64 | 4,600 | 89 | 6,300 |
| 15 | 2,800 | 40 | 5,100 | 65 | 5,800 | 90 | 4,200 |
| 16 | 5,700 | 41 | 3,700 | 66 | 5,800 | 91 | 8,500 |
| 17 | 3,900 | 42 | 5,200 | 67 | 6,700 | 92 | 10,100 |
| 18 | 4,400 | 43 | 6,800 | 68 | 6,100 | 93 | 10,700 |
| 19 | 7,200 | 44 | 7,500 | 69 | 4,900 | 94 | 7,000 |
| 20 | 6,100 | 45 | 7,600 | 70 | 9,500 | 95 | 7,600 |
| 21 | 4,400 | 46 | 8,100 | 71 | 4,300 | 96 | 6,300 |
| 22 | 3,100 | 47 | 7,700 | 72 | 4,600 | 97 | 7,400 |
| 23 | 6,100 | 48 | 9,100 | 73 | 3,500 | 98 | 5,000 |
| 24 | 5,900 | 49 | 9,600 | 74 | 6,500 | 99 | 5,700 |
| 25 | 5,300 | 50 | 8,400 | 75 | 7,700 | 100 | 6,800 |

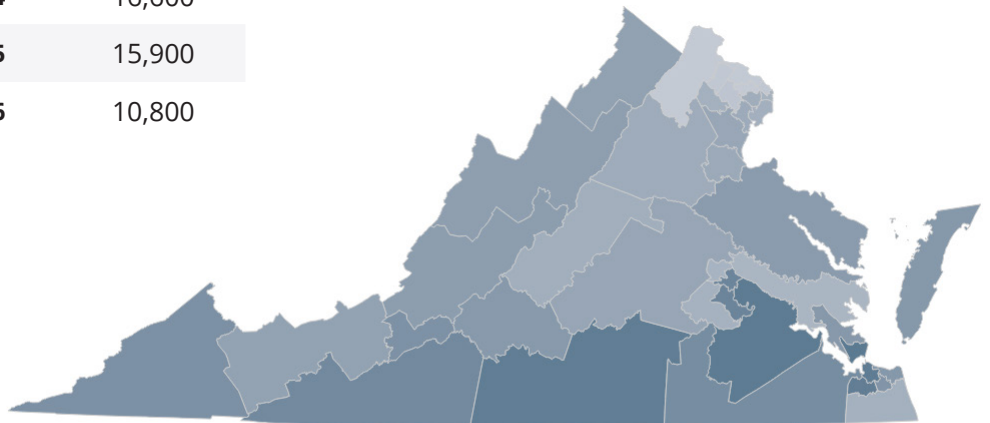
Families who receive the federal EITC by House district



0 5k 10k 15k

Families who receive the federal EITC by Senate district

| Senate District | EITC Recipients | Senate District | EITC Recipients | Senate District | EITC Recipients | Senate District | EITC Recipients |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1 | 14,700 | 17 | 19,200 | 27 | 13,100 | 34 | 11,900 |
| 2 | 15,200 | 18 | 22,700 | 28 | 12,700 | 35 | 12,400 |
| 3 | 15,500 | 19 | 11,800 | 29 | 13,600 | 36 | 7,800 |
| 4 | 18,100 | 20 | 16,700 | 30 | 11,800 | 37 | 6,700 |
| 5 | 14,500 | 21 | 23,100 | 31 | 6,700 | 38 | 6,800 |
| 6 | 18,300 | 22 | 17,400 | 32 | 7,300 | 39 | 11,600 |
| 7 | 20,000 | 23 | 23,700 | 33 | 12,800 | 40 | 7,300 |
| 8 | 16,300 | 24 | 16,600 | | | | |
| 9 | 22,900 | 25 | 15,900 | | | | |
| 10 | 13,800 | 26 | 10,800 | | | | |
| 11 | 12,200 | | | | | | |
| 12 | 11,500 | | | | | | |
| 13 | 23,500 | | | | | | |
| 14 | 20,900 | | | | | | |
| 15 | 21,100 | | | | | | |
| 16 | 11,200 | | | | | | |



0 10k 20k 30k

Families who receive the federal EITC by locality

| Locality | EITC Recipients |
|-----------------------|-----------------|
| Accomack County | 3,800 |
| Albemarle County | 5,100 |
| Alexandria City | 8,900 |
| Alleghany County | 1,200 |
| Amelia County | 1,000 |
| Amherst County | 2,600 |
| Appomattox County | 1,500 |
| Arlington County | 7,800 |
| Augusta County | 5,200 |
| Bath County | 400 |
| Bedford County | 4,900 |
| Bland County | 400 |
| Botetourt County | 1,800 |
| Bristol City | 2,000 |
| Brunswick County | 1,700 |
| Buchanan County | 1,700 |
| Buckingham County | 1,500 |
| Buena Vista City | 600 |
| Campbell County | 4,600 |
| Caroline County | 2,600 |
| Carroll County | 2,600 |
| Charles City County | 600 |
| Charlotte County | 1,200 |
| Charlottesville City | 2,800 |
| Chesapeake City | 18,500 |
| Chesterfield County | 23,500 |
| Clarke County | 700 |
| Colonial Heights City | 1,800 |
| Covington City | 700 |
| Craig County | 400 |

| Locality | EITC Recipients |
|---------------------|-----------------|
| Culpeper County | 3,600 |
| Cumberland County | 1,000 |
| Danville City | 5,900 |
| Dickenson County | 1,200 |
| Dinwiddie County | 2,600 |
| Emporia City | 900 |
| Essex County | 1,200 |
| Fairfax City | 1,000 |
| Fairfax County | 50,000 |
| Falls Church City | 300 |
| Fauquier County | 3,200 |
| Floyd County | 1,200 |
| Fluvanna County | 1,500 |
| Franklin City | 1,100 |
| Franklin County | 4,200 |
| Frederick County | 5,400 |
| Fredericksburg City | 2,400 |
| Galax City | 800 |
| Giles County | 1,200 |
| Gloucester County | 2,700 |
| Goochland County | 1,100 |
| Grayson County | 1,300 |
| Greene County | 1,400 |
| Greensville County | 1,000 |
| Halifax County | 3,600 |
| Hampton City | 14,400 |
| Hanover County | 4,900 |
| Harrisonburg City | 3,800 |
| Henrico County | 25,900 |
| Henry County | 5,400 |

| Locality | EITC Recipients |
|-----------------------|-----------------|
| Highland County | 200 |
| Hopewell City | 3,300 |
| Isle of Wight County | 2,500 |
| James City County | 4,100 |
| King & Queen County | 600 |
| King George County | 1,500 |
| King William County | 1,200 |
| Lancaster County | 1,100 |
| Lee County | 2,100 |
| Lexington City | 300 |
| Loudoun County | 13,700 |
| Louisa County | 2,700 |
| Lunenburg County | 1,200 |
| Lynchburg City | 7,100 |
| Madison County | 1,000 |
| Manassas City | 3,200 |
| Manassas Park City | 1,400 |
| Martinsville City | 1,900 |
| Mathews County | 600 |
| Mecklenburg County | 3,300 |
| Middlesex County | 800 |
| Montgomery County | 4,400 |
| Nelson County | 1,200 |
| New Kent County | 1,100 |
| Newport News City | 21,000 |
| Norfolk City | 25,700 |
| Northampton County | 1,500 |
| Northumberland County | 1,000 |
| Norton City | 500 |
| Nottoway County | 1,400 |

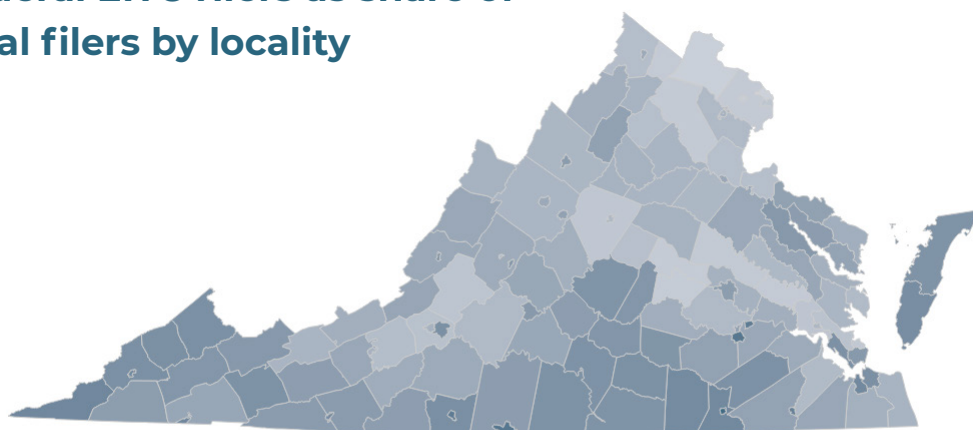
Families who receive the federal EITC by locality (continued)

| Locality | EITC Recipients |
|-----------------------|-----------------|
| Orange County | 2,700 |
| Page County | 2,200 |
| Patrick County | 1,500 |
| Petersburg City | 5,200 |
| Pittsylvania County | 5,600 |
| Poquoson City | 600 |
| Portsmouth City | 12,200 |
| Powhatan County | 1,200 |
| Prince Edward County | 1,900 |
| Prince George County | 2,900 |
| Prince William County | 30,500 |
| Pulaski County | 2,700 |
| Radford City | 900 |
| Rappahannock County | 400 |

| Locality | EITC Recipients |
|---------------------|-----------------|
| Richmond City | 22,100 |
| Richmond County | 800 |
| Roanoke City | 11,600 |
| Roanoke County | 5,400 |
| Rockbridge County | 1,700 |
| Rockingham County | 5,500 |
| Russell County | 2,200 |
| Salem City | 1,800 |
| Scott County | 1,700 |
| Shenandoah County | 3,500 |
| Smyth County | 3,000 |
| Southampton County | 1,500 |
| Spotsylvania County | 9,300 |
| Stafford County | 8,500 |

| Locality | EITC Recipients |
|---------------------|-----------------|
| Staunton City | 2,200 |
| Suffolk City | 8,000 |
| Surry County | 600 |
| Sussex County | 1,000 |
| Tazewell County | 3,400 |
| Virginia Beach City | 33,900 |
| Warren County | 2,900 |
| Washington County | 4,200 |
| Waynesboro City | 2,200 |
| Westmoreland County | 1,700 |
| Williamsburg City | 800 |
| Winchester City | 2,400 |
| Wise County | 3,300 |
| Wythe County | 2,600 |
| York County | 3,700 |

Federal EITC filers as share of total filers by locality



Methodology Note

These tables are based on zip- and locality-level IRS Statistics of Income (SOI) data for tax year 2019.

<https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-statistics-2019-zip-code-data-soi>

District-level estimates were generated by crosswalking the IRS SOI zip data to 2010 Census blocks using the geographic correspondence engine from the Missouri Census Data Center at the University of Missouri, which generates weighting factors to convert zip-level data to 2010 block-level data.

<https://mcdc.missouri.edu/applications/geocorr2018.html>

The 2010 block-level data were converted to 2020 block-level data using the IPUMS National Historical Geographic Information System (NHGIS) block crosswalks (see IPUMS NHGIS, University of Minnesota, www.nhgis.org)

The 2020 blocks were then assigned to Virginia House and Senate districts using the block assignment file from the Supreme Court of Virginia special masters' materials.

Acknowledgements

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