

Making Work Pay Tax Credit

The centerpiece of the tax relief in the economic recovery bill is a new Making Work Pay Credit of up to \$400 per worker. The credit phases in at the same rate as Social Security taxes and is available to most workers not claimed as another taxpayer's dependent. The Center has estimated the number of people that will benefit from the Making Work Pay Credit here: <http://www.cbpp.org/1-21-09tax3.htm>.

Some families helped by the Making Work Pay Credit — those with children and low or moderate incomes — will receive additional help through expansions in the Earned Income Tax Credit and Child Tax Credit. The Center has estimated the number of people that will benefit from the expanded Child Tax Credit provision here: <http://www.cbpp.org/1-22-09bud-ctc.pdf>.