1. Perm, do both –EITC’s distribution mechanism leads to downward pressure on wages which the perm solves and doesn’t help families deal with expenses – also a reason to prefer the aff. **Bernstein and Parrot ‘14[[1]](#footnote-1)**

For example, because the EITC is a proven work incentive, it expands the number of people seeking jobs in the low-wage sector, which can put some downward pressure on the wages that employers offer potential workers.[19] A higher minimum wage helps offset that effect. In addition, the EITC provides a wage supplement in the form of a tax refund that comes once a year. The minimum wage is reflected in every paycheck, helping families meet bills as they arise.

2. Social security benefits don’t include EITC income, so it screws workers over in the long run. **Vogtman ‘14[[2]](#footnote-2)**

Specifically, because the EITC supplements the after-tax wages of many low-wage workers, it may reduce pressure on employers to pay higher before-tax wages10—which is particularly hard on workers without qualifying children who, if they work full time at a minimum wage job, will earn too much to be eligible for any help from the EITC. Low wages, even if supplemented by the EITC, also mean lower Social Security benefits for workers because the EITC is not counted for Social Security purposes, thus decreasing their economic security in retirement. Raising the minimum wage, and maintaining it at an adequate level, can combat these effects by ensuring that businesses bear an appropriate share of responsibility for fairly compensating the workers they employ.

3. Raising the minimum wage is simpler, so easier for workers to get and keep track of. EITC is too complicated so people don’t use it, empirically confirmed. **Federal Reserve Bank of Atlanta ‘06[[3]](#footnote-3)**

Though the positive economic impacts to cities like Nashville are robust, the EITC remains underutilized. The number of eligible persons who fail to claim the EITC is estimated at 25 percent of those currently receiving the credit. Failure to collect the EITC has cost Nashville an estimated $19.9 million in total economic output. Thus work remains to ensure that no low-income household leaves this credit "on the table."

EITC expansions supercharges the solvency indict – in it’s current form only the people most in need have access, and even they aren’t able to take it

4. The EITC needs to *work* for you to access offense – even the IRS acknowledges that it’s hugely inefficient. **Erb ‘12[[4]](#footnote-4)**

The credit has been around since 1975. It was intended to offset the burden of Social Security taxes – a chunk of your pay over and above federal income taxes – and to provide an incentive to work since the credit is only available to workers who earn money from wages, self employment or farm income. Critics, however, claim that it’s nothing more than a glorified subsidy. Other critics, like me, recognize that it’s one of the “easy targets” for abuse in the system. The IRS estimates an error rate of 23%-28% on EITC returns, or about $13 to $16 billion paid out in error. Yes, billion with a b.

5. Having to pay the higher wages is a crucial basis for worker respect since the payment is implicitly a value judgment – otherwise workers will be treated really poorly. **Rogers ‘14[[5]](#footnote-5)**

Ultimately, transfers that are not accompanied by wage regulations can substantially undermine social equality even as they create employment opportunities. For example, consider the effects on low-wage labor markets if the minimum wage were repealed altogether and replaced with the EITC or a general wage subsidy. At a certain market wage—say, $2 an hour— even middle-class families would have lives of luxury. Food would be cheap. Few such families would mow their own lawn or clean their own house anymore. Many could even hire a butler, or a chef, or perhaps a chauffeur to make long commutes more tolerable. Notably, those workers might even have a decent standard of living if the EITC or wage subsidy were high enough. But history strongly suggests that many would treat all those $2-an-hour servants poorly, reasoning that their low wages must be due to some moral failing and consum ers’ lives of leisure due to some moral virtue

6. Plan is key to give workers the power to fight for future gains. It enables them to resist domination in other aspects of their work. **Rogers[[6]](#footnote-6)**

2. Formal Legal Entitlements and Self-Respect.—Minimum wage laws also enhance workers’ self-respect by granting them formal legal entitlements vis-à-vis employers. This is in part an expressive effect of minimum wage laws, which are an easily grasped policy “that symbolizes the political system’s commitment to working people.”165 Such laws signal that the state and broader society view workers as worthy of legal protection, even when doing so imposes costs upon more powerful social groups, as captured well in the textile worker quote in this Article’s introduction. But the legal entitlements provided by minimum wage laws are not merely symbolic. Under such laws, workers can hale employers into court to prevent enforcement of labor contracts that pay less than the minimum, employers owe workers correlative duties, and state agencies stand ready to intervene on behalf of workers. The relationship between formal rights and self-respect is an enormous topic, but a few notes on that relationship within political and social theory should suffice to develop this point. Within liberalism, this idea seems to have animated Rawls’s argument that in a just society “self-respect is secured by the public affirmation of the status of equal citizenship for all” through protection of equal liberties,166 as well as through the fact that “everyone endorses the difference principle, itself a form of reciprocity.”167 Public affirmation of such rights helps demonstrate that rights-bearing individuals are moral equals of other citizens. Once that moral equality is clear, employers will not as readily subject such workers to abuses, and workers will more readily contest unfair treatment by employers and other private actors.

Outweighs on scope – you can solve the present instance of harm, but this enables employees enables them to fight future employer mistreatment. I create a structural force for future change.

1. Jared Bernstein [ex- Chief Economist and Economic Adviser to Vice President Biden, executive director of the White House Task Force on the Middle Class, PhD in Social Welfare from Columbia] and Sharon Parrott [ex- Counselor for Human Services Policy at the U.S. Department of Health and Human Services] “”Center on Budget and Policy Priorities (January 7, 2014) < http://www.cbpp.org/cms/?fa=view&id=4075 > [↑](#footnote-ref-1)
2. “The Minimum Wage and the EITC: Complementary Strategies Helping Women Lift Their Families Out of Poverty” December 2014 | Julie Vogtman [Director of Income Support Policy and Senior Counsel for the Family Economic Security Program at the National Women's Law Center] & Katherine Gallagher Robbins [Director of Research and Policy Analysis at the NWLC] [↑](#footnote-ref-2)
3. Haskell, John N [banker and a former diplomat]. "EITC Boosts Local Economies." Partners in Community and Economic Development 16.3 (2006). [↑](#footnote-ref-3)
4. Kelly Phillips Erb. “The Credit We Love to Hate: The Earned Income Tax Credit (EITC)” Forbes Magazine. 2012. www.forbes.com/sites/kellyphillipserb/2012/02/01/the-credit-we-love-to-hate-the-earned-income-tax-credit-eitc/ [↑](#footnote-ref-4)
5. Rogers, Brishen [Assistant Professor of Law, Temple University James E. Beasley School of Law]. "Justice at Work: Minimum Wage Laws and Social Equality." Texas Law Review 92 (2013): 1543. Brackets in original [↑](#footnote-ref-5)
6. Rogers, Brishen [Assistant Professor of Law, Temple University James E. Beasley School of Law]. "Justice at Work: Minimum Wage Laws and Social Equality." Texas Law Review 92 (2013): 1543. Brackets in original [↑](#footnote-ref-6)