



# Who Receives the Working Family Credit?

Minnesota’s Working Family Tax Credit encourages and supports work, makes the tax system more equitable, and helps working people across the state to meet their basic needs and support their families. In 2015, more than 330,000 households received the Working Family Credit, which is 12.3 percent of all Minnesota households who file state income taxes.<sup>1</sup> Minnesotans claiming the Working Family Credit live all across the state: 49 percent in Greater Minnesota and 51 percent in the Twin Cities metro area.<sup>2</sup>

More than half of all states, including Minnesota, have tax credits like the Working Family Credit that are based on the federal Earned Income Tax Credit (EITC), and build on the EITC’s documented success in supporting work, reducing poverty, and improving the health and education of children.<sup>3</sup> Children in households receiving the EITC are also more likely to attend college and earn more as adults.<sup>4</sup> Because these tax credits are received once a year, after families file their taxes, many families use their credits to secure a stronger financial future by building their savings or reducing debt.

<b>Number of Children</b>	<b>Maximum Income (Single or Head of Household)</b>	<b>Maximum Income (Married)</b>
None	\$15,000	\$20,600
One child	\$39,600	\$45,100
Two or more children	\$44,900	\$50,500

Minnesota’s Working Family Credit is calculated based on a family’s earnings and family size, and it can only be claimed by people with earnings from work. Families with two or more children qualify for larger credits on average, and households with no dependent children qualify for much less. The

Working Family Credit offsets a portion of the significant state and local taxes that low- and moderate-income people pay. Even when including the Working Family Credit, on average, lower-income Minnesota households pay 11.5 percent or more of their incomes in state and local taxes.<sup>5</sup>

The table below provides information about the importance of the Working Family Credit to each Minnesota county and the state as a whole.

## Working Family Credits Received by County of Residence, Tax Year 2015<sup>6</sup>

<b>County</b>	<b>Total Working Family Credits Received</b>	<b>Number of Households Receiving the Working Family Credit</b>	<b>Average Credit</b>	<b>Percent of Households Receiving the Working Family Credit</b>
Aitkin	\$776,624	1,084	\$716	15.7%
Anoka	\$14,431,701	18,677	\$773	11.2%
Becker	\$1,684,190	2,181	\$772	14.8%
Beltrami	\$2,426,658	3,128	\$776	17.4%
Benton	\$2,195,912	2,887	\$761	15.6%
Big Stone	\$213,304	280	\$762	12.4%
Blue Earth	\$2,741,272	4,008	\$684	13.8%

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Brown	\$1,168,223	1,581	\$739	12.2%
Carlton	\$1,517,296	2,120	\$716	13.7%
Carver	\$2,143,690	3,037	\$706	6.7%
Cass	\$1,617,051	2,090	\$774	15.7%
Chippewa	\$693,315	837	\$828	14.3%
Chisago	\$1,999,905	2,699	\$741	10.6%
Clay	\$2,634,166	3,400	\$775	13.1%
Clearwater	\$438,282	577	\$760	15.9%
Cook	\$207,816	317	\$656	11.5%
Cottonwood	\$610,447	784	\$779	14.5%
Crow Wing	\$3,541,327	4,669	\$758	15.8%
Dakota	\$15,133,697	19,606	\$772	9.7%
Dodge	\$836,907	1,054	\$794	11.0%
Douglas	\$1,502,901	2,125	\$707	11.8%
Faribault	\$776,553	1,002	\$775	15.1%
Fillmore	\$920,810	1,217	\$757	12.9%
Freeborn	\$1,799,007	2,321	\$775	16.1%
Goodhue	\$1,716,540	2,335	\$735	10.5%
Grant	\$275,705	357	\$772	13.4%
Hennepin	\$52,060,432	67,857	\$767	11.5%
Houston	\$692,895	1,076	\$644	12.1%
Hubbard	\$1,130,493	1,456	\$776	16.5%
Isanti	\$1,891,501	2,426	\$780	13.6%
Itasca	\$2,192,675	2,951	\$743	14.9%
Jackson	\$491,549	628	\$783	12.6%
Kanabec	\$874,587	1,163	\$752	16.9%
Kandiyohi	\$2,896,558	3,379	\$857	16.5%
Kittson	\$167,022	202	\$827	10.8%
Koochiching	\$683,899	941	\$727	16.4%
Lac Qui Parle	\$273,631	397	\$689	12.3%
Lake	\$433,187	596	\$727	12.1%
Lake of the Woods	\$210,850	302	\$698	16.3%
Le Sueur	\$1,129,022	1,458	\$774	10.8%
Lincoln	\$214,905	317	\$678	13.5%
Lyon	\$1,441,630	1,721	\$838	14.8%
McLeod	\$1,621,212	2,117	\$766	12.0%
Mahnomen	\$305,274	338	\$903	16.6%

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Marshall	\$378,802	474	\$799	11.2%
Martin	\$1,129,759	1,485	\$761	14.9%
Meeker	\$1,037,949	1,288	\$806	12.2%
Mille Lacs	\$1,449,641	1,849	\$784	16.2%
Morrison	\$1,827,460	2,411	\$758	16.1%
Mower	\$2,482,188	3,117	\$796	17.5%
Murray	\$335,992	428	\$785	10.6%
Nicollet	\$1,345,398	1,882	\$715	12.5%
Nobles	\$1,257,056	1,587	\$792	15.9%
Norman	\$360,608	408	\$884	14.1%
Olmsted	\$6,349,285	8,057	\$788	11.1%
Otter Tail	\$2,858,244	3,745	\$763	13.8%
Pennington	\$747,875	1,004	\$745	14.9%
Pine	\$1,531,632	2,027	\$756	17.0%
Pipestone	\$514,266	609	\$844	14.1%
Polk	\$1,556,142	1,950	\$798	14.2%
Pope	\$425,378	583	\$730	11.2%
Ramsey	\$33,707,011	39,892	\$845	15.9%
Red Lake	\$180,532	230	\$785	13.6%
Redwood	\$807,005	997	\$809	13.3%
Renville	\$736,215	919	\$801	12.8%
Rice	\$2,981,208	3,613	\$825	12.9%
Rock	\$398,738	513	\$777	12.2%
Roseau	\$835,514	1,074	\$778	14.4%
St. Louis	\$8,037,948	11,817	\$680	13.2%
Scott	\$4,541,601	5,827	\$779	8.9%
Sherburne	\$3,358,306	4,414	\$761	10.6%
Sibley	\$651,081	840	\$775	11.8%
Stearns	\$7,630,067	9,640	\$792	13.9%
Steele	\$2,025,221	2,436	\$831	13.7%
Stevens	\$284,160	404	\$703	9.8%
Swift	\$534,352	656	\$815	14.6%
Todd	\$1,346,229	1,780	\$756	16.8%
Traverse	\$155,199	206	\$753	14.4%
Wabasha	\$871,076	1,176	\$741	11.1%
Wadena	\$834,514	1,055	\$791	18.2%
Waseca	\$952,645	1,253	\$760	14.3%
Washington	\$7,117,159	9,692	\$734	8.1%

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Watonwan	\$673,552	799	\$843	16.1%
Wilkin	\$257,778	349	\$739	12.0%
Winona	\$1,724,897	2,629	\$656	12.2%
Wright	\$4,244,789	5,726	\$741	9.6%
Yellow Medicine	\$482,265	609	\$792	12.8%
Undesignated/ Other	\$7,932,230	15,144	\$524	5.3%
<b>TOTAL</b>	<b>\$251,603,588</b>	<b>330,292</b>	<b>\$762</b>	<b>11.6%</b>

*By Nan Madden and Ben Horowitz*

<sup>1</sup> Minnesota Department of Revenue, [Tax Year 2015 Minnesota Income Tax Statistics by County](#). In this analysis, the number of households refers to the number of tax returns.

<sup>2</sup> House Research, [The Federal Earned Income Tax Credit and Minnesota Working Family Credit: An Overview](#), January 2018.

<sup>3</sup> Center on Budget and Policy Priorities, [Policy Basics: State Earned Income Tax Credits](#), August 2017.

<sup>4</sup> Center on Budget and Policy Priorities, [EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children's Development, Research Finds](#), October 2015.

<sup>5</sup> Minnesota Department of Revenue, [2017 Minnesota Tax Incidence Study](#), March 2017.

<sup>6</sup> Minnesota Department of Revenue, [Tax Year 2015 Minnesota Income Tax Statistics by County](#).