

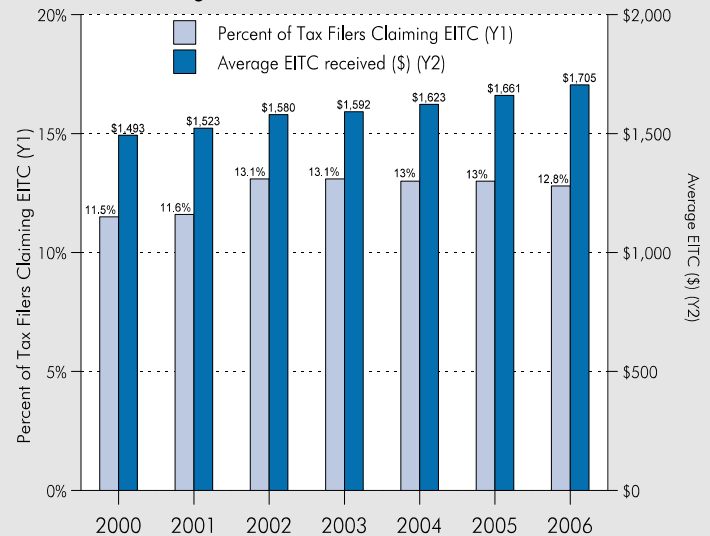
North Dakota Tax Filers Receiving the Earned Income Tax Credit (EITC): 2000 to 2006

The federal Earned Income Tax Credit (EITC) is an antipoverty program for working individuals and families. The EITC reduces the amount of taxes owed and may also provide a refund. In 2006, 12.8 percent of all North Dakota tax filers claimed the EITC, little change from 13.0 percent in 2005 (Figure 1). Nationwide, 15.9 percent of tax filers claimed the EITC in 2006, down from 16.9 percent in 2005 (Table 1).

Depending on income and family structure, tax filers may claim an EITC, the value of which could range from \$1 to \$4,400. In 2006, the average EITC credit that North Dakota EITC filers received was \$1,705 (Figure 2), up 2.6 percent from \$1,661 in 2005. Nationwide, the average credit that EITC filers received in 2006 was \$1,979, up 2.4 percent from \$1,932 in 2005.

For most taxpayers who claim the EITC and receive a tax refund, the EITC comprises the largest portion of those refunds (taxpayers may claim other credits that add to their refunds). In 2006, 59.4 percent of refunds received by North Dakota taxpayers claiming the EITC were composed of EITC dollars. This proportion has declined steadily from 72.8 percent in 2000.

Figure 1. Average Earned Income Tax Credit (EITC) and the Percent of Tax Filers Claiming EITC: 2000 to 2006



Source: The Brookings Institution, Metropolitan Policy Program, Earned Income Tax Credit Series, www.brookings.edu/metro/EITC/EITC-Homepage.aspx

Of North Dakota tax filers claiming the EITC in 2006, 27.6 percent also claimed the Child Tax Credit. Those North Dakota families receiving the Child Tax Credit received, on average, a child tax credit of \$618 in 2006.

Figure 2. Average Earned Income Tax Credit (EITC) Received by North Dakota Tax Filers by County: 2006

Source: The Brookings Institution, Metropolitan Policy Program, Earned Income Tax Credit Series, www.brookings.edu/metro/EITC/EITC-Homepage.aspx

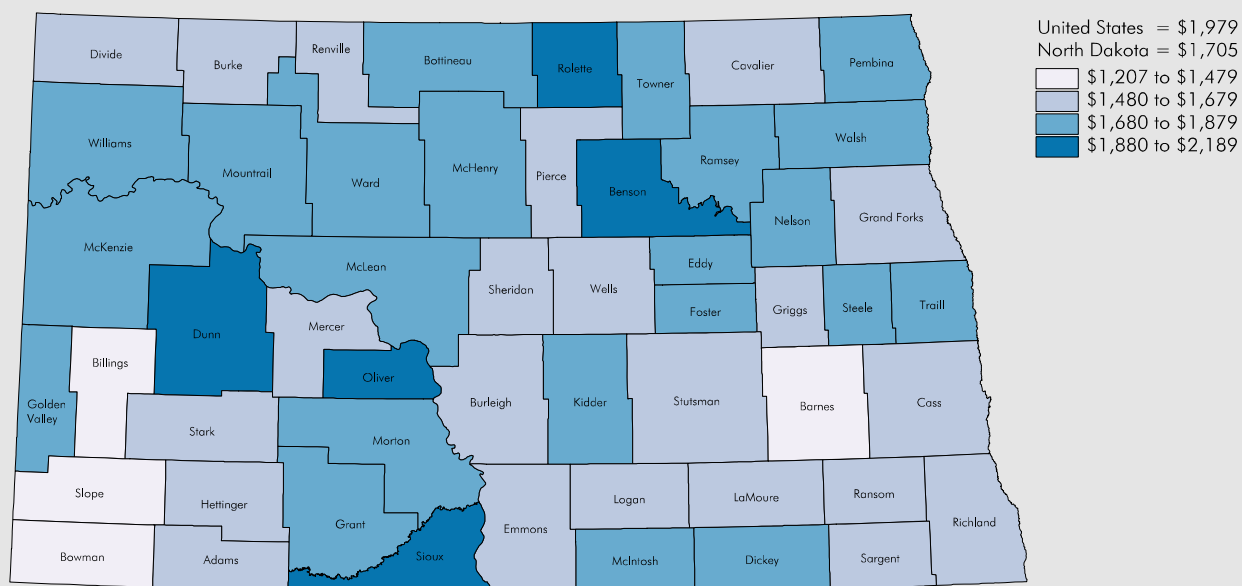


Table 1. North Dakota Tax Filers Receiving the Earned Income Tax Credit (EITC) as a Percent of All Tax Filers: 2000 to 2006

Source: The Brookings Institution, Metropolitan Policy Program, Earned Income Tax Credit Series, www.brookings.edu/metro/EITC/EITC-Homepage.aspx

United States and North Dakota Counties	Tax Filers Receiving the EITC as Percent of All Tax Filers							2006 Tax Filers Receiving the EITC
	2000	2001	2002	2003	2004	2005	2006	
United States	14.7%	15.0%	16.5%	16.8%	16.8%	16.9%	15.9%	23,116,759
North Dakota	11.5%	11.6%	13.1%	13.1%	13.0%	13.0%	12.8%	39,557
Adams	13.5%	12.2%	15.0%	14.8%	16.4%	14.2%	11.7%	133
Barnes	11.4%	11.7%	13.1%	12.6%	12.7%	12.9%	12.7%	667
Benson	32.9%	34.0%	36.0%	36.7%	36.9%	37.9%	36.7%	959
Billings	8.8%	6.3%	9.9%	11.4%	10.6%	10.8%	10.6%	36
Bottineau	11.5%	11.0%	13.3%	12.9%	12.9%	12.1%	12.0%	385
Bowman	10.3%	9.3%	12.5%	11.6%	10.1%	9.7%	9.4%	160
Burke	10.8%	10.0%	11.5%	12.7%	10.7%	8.7%	9.4%	98
Burleigh	9.4%	9.4%	10.1%	10.4%	10.4%	10.6%	10.4%	3,954
Cass	8.8%	9.2%	10.1%	10.2%	10.2%	10.5%	10.7%	7,207
Cavalier	7.8%	8.5%	10.1%	9.3%	9.9%	11.1%	9.7%	203
Dickey	10.3%	11.4%	13.0%	12.7%	12.4%	11.9%	12.4%	306
Divide	12.7%	12.9%	14.2%	14.9%	11.6%	12.6%	11.1%	112
Dunn	13.8%	15.2%	18.3%	17.0%	16.4%	15.6%	13.2%	188
Eddy	12.6%	14.2%	16.4%	15.6%	15.9%	16.5%	16.0%	180
Emmons	14.8%	14.3%	18.0%	17.3%	17.8%	16.2%	15.6%	250
Foster	10.6%	10.7%	10.9%	10.1%	10.6%	11.7%	11.3%	195
Golden Valley	12.8%	11.9%	12.7%	14.0%	13.9%	14.4%	14.3%	120
Grand Forks	10.2%	10.0%	12.4%	12.2%	11.9%	12.2%	12.4%	3,711
Grant	15.2%	14.6%	18.2%	17.1%	16.8%	15.9%	15.5%	174
Griggs	9.5%	8.0%	10.4%	9.4%	10.4%	10.2%	11.2%	138
Hettinger	11.1%	10.4%	13.6%	12.7%	12.5%	12.9%	13.6%	177
Kidder	15.6%	14.9%	16.8%	15.8%	16.9%	15.9%	15.5%	169
LaMoure	9.4%	10.3%	13.1%	11.4%	10.8%	10.1%	9.8%	200
Logan	15.8%	14.2%	18.2%	17.7%	18.0%	16.1%	14.9%	133
McHenry	14.1%	13.9%	16.2%	15.6%	15.7%	15.7%	14.8%	388
McIntosh	12.3%	11.5%	15.1%	13.5%	13.8%	13.8%	13.5%	188
McKenzie	14.7%	14.9%	17.2%	17.7%	16.3%	16.5%	15.4%	326
McLean	12.3%	12.1%	13.7%	13.8%	14.3%	13.6%	12.6%	541
Mercer	7.8%	7.6%	8.8%	9.0%	8.2%	7.9%	7.8%	319
Morton	12.2%	12.0%	13.7%	13.8%	13.3%	13.0%	12.7%	1,644
Mountrail	22.6%	21.3%	23.0%	23.0%	24.3%	22.8%	23.1%	768
Nelson	10.9%	11.5%	13.1%	11.9%	12.8%	12.4%	11.8%	207
Oliver	8.0%	7.0%	9.8%	9.6%	8.8%	8.6%	8.1%	71
Pembina	8.6%	8.1%	10.6%	9.9%	10.2%	10.7%	9.7%	386
Pierce	13.4%	14.1%	14.1%	13.6%	15.0%	15.7%	15.3%	310
Ramsey	13.5%	13.8%	14.7%	14.3%	14.8%	15.0%	14.8%	820
Ransom	8.5%	8.2%	9.6%	9.1%	9.6%	10.2%	9.8%	264
Renville	10.5%	9.5%	13.2%	12.7%	12.1%	11.7%	11.4%	119
Richland	9.6%	9.9%	11.3%	11.2%	11.3%	11.5%	10.9%	857
Rolette	37.8%	38.3%	39.8%	40.0%	40.9%	40.5%	40.6%	2,132
Sargent	7.1%	7.8%	8.8%	9.1%	8.7%	8.3%	8.6%	169
Sheridan	15.2%	15.1%	17.4%	16.5%	14.9%	14.1%	13.7%	104
Sioux	46.3%	44.6%	47.0%	47.2%	47.8%	49.4%	48.8%	645
Slope	15.5%	14.3%	19.4%	15.3%	12.5%	15.1%	15.9%	24
Stark	12.7%	12.3%	14.1%	14.4%	13.9%	13.1%	12.0%	1,352
Steele	9.8%	9.5%	10.2%	9.6%	10.2%	10.6%	10.4%	81
Stutsman	12.3%	12.7%	13.7%	13.8%	14.2%	14.0%	13.6%	1,321
Towner	10.9%	11.4%	12.7%	13.3%	13.3%	12.7%	13.4%	166
Traill	8.2%	8.1%	9.8%	9.7%	9.4%	8.4%	9.0%	358
Walsh	11.3%	11.4%	13.3%	13.4%	13.4%	13.9%	13.6%	745
Ward	11.5%	11.7%	13.9%	13.8%	13.7%	13.8%	13.6%	3,815
Wells	10.7%	11.4%	14.1%	13.1%	13.1%	13.0%	13.3%	287
Williams	14.1%	13.5%	15.4%	15.6%	14.7%	13.6%	12.6%	1,295

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Little Change in the Number of North Dakota Tax Filers Receiving the Federal Earned Income Tax Credit

The federal Earned Income Tax Credit (EITC) is an antipoverty program for working individuals and families. The EITC reduces the amount of taxes owed and also may provide a refund. In 2006, 12.8 percent of all North Dakota tax filers claimed the EITC, a proportion relatively unchanged from 13.0 percent in 2005.

"The relative stability in North Dakota's EITC recipients reflects the strong economy the state has been enjoying throughout the decade. Nonetheless, this program has been a very effective policy approach to assisting low-income working families and individuals supplement their earnings," said Richard Rathge, Director of the State Data Center.

Nationwide, 15.9 percent of tax filers claimed the EITC in 2006, down from 16.6 percent in 2005.

This month's "Population Bulletin," a monthly publication from the North Dakota State Data Center at North Dakota State University, focuses on Earned Income Tax Credit (EITC) data released from The Brookings Institution's Metropolitan Policy Program (www.brookings.edu/metro/EITC/EITC-Homepage.aspx).

Depending on income and family structure, tax filers may claim an EITC, the value of which could range from \$1 to \$4,400. In 2006, the average EITC credit that North Dakota EITC filers received was \$1,705, up 2.6 percent from \$1,661 in 2005. Nationwide, the average credit that EITC filers received in 2006 was \$1,979, up 2.4 percent from \$1,932 in 2005.

For most taxpayers who claim the EITC and receive a tax refund, the EITC comprises the largest portion of those refunds. Taxpayers may claim other credits, such as the Child Tax Credit, the Child and Dependent Care Tax Credit, and Education Credits that add to their refunds. However, in 2006, 59.4 percent of refunds received by North Dakota taxpayers claiming the EITC were composed of EITC dollars. This proportion has declined steadily from 72.8 percent in 2000.

Of North Dakota tax filers claiming the EITC in 2006, 27.6 percent also claimed the Child Tax Credit. Those North Dakota families receiving the Child Tax Credit received, on average, a child tax credit of \$618 in 2006.

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