



Written Testimony of Mr. Jason Adkins, Executive Director

HF 2106

House Tax Committee, February 25, 2014

Chair Lenczewski and Members of the Committee:

The Minnesota Catholic Conference (MCC), the public policy voice of the Catholic Church in Minnesota, supports conforming Minnesota's tax law to recent changes in the federal tax code that are designed specifically to eliminate marriage penalties.

Federal changes that eliminated marriage penalties in both the standard deduction and the EITC should be reflected in Minnesota's treatment of the standard deduction, and also in our Minnesota Working Family Credit.

Conforming to these federal changes will:

- lessen the regressive tax burdens of sales and property taxes on low- and moderate-income families
- ensure that the MN tax code does not economically disadvantage married filers

We appreciate Rep. Davids' legislation (HF 1959) to make these changes effective in tax year 2013 rather than delaying their implementation.

According to the National Marriage Project at the University of Virginia:

U.S. tax and transfer (welfare) systems frequently impose substantial financial penalties on low-income couples who choose to marry. In relative terms, these marriage penalties tend to be much greater than those experienced by non-poor couples, and in some cases amount to family income losses of 20 percent or more. These marriage-discouraging financial penalties markedly undermine efforts to strengthen marriage among low-income Americans, contributing to their inability to reach or sustain themselves in the middle class.¹

MCC has been saying much over the past few years about how the institution of marriage fosters the common good. For many reasons, not just its ability to combat poverty,² it should be encouraged. Unfortunately, marriage rates in Minnesota have been declining.³ Therefore, this State should be removing disincentives, such as marriage penalties in the tax code, that discourage people to get married and foster stable households where children thrive. Thank you.

¹ "The State of Our Unions 2012," p. 14, available at <http://www.stateofourunions.org/2012/SOOU2012.pdf>

² See generally, "Marriage: America's Greatest Weapon Against Child Poverty," The Heritage Foundation, available at https://thf_media.s3.amazonaws.com/2012/pdf/sr117.pdf

³ Center for Disease Control 1990-2011, http://www.cdc.gov/nchs/data/dvs/marriage_rates_90_95_99-11.pdf.