



ASSEMBLYMEMBER — DISTRICT 26

Patrick Ahrens

P R E S S R E L E A S E

FOR IMMEDIATE RELEASE

Tuesday, February 4, 2025

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Assemblymember Patrick Ahrens Introduces Bill to Establish a Minimum \$300 Credit for the California Earned Income Tax Credit (CalEITC)

AB 398 Would Significantly Increase Benefits for 81% of CalEITC Recipients, Putting More Money Back into the Pockets of an Estimated 3 Million Californians

SACRAMENTO, CA – Assemblymember Patrick Ahrens (D-Silicon Valley) introduced AB 398, which would establish a \$300 minimum tax credit benefit for tax filers eligible for the California Earned Income Tax Credit (CalEITC). Right now, the CalEITC ranges from \$1 to \$3,644.

The CalEITC is a refundable tax credit that benefits Californians earning less than \$31,950 a year. Currently, most eligible tax filers – 2.8 million out of 3.5 million total, or 81% - receive less than \$300 from the tax credit.

Assemblymember Ahrens said, “Californians – especially the millions eligible for the California Earned Income Tax Credit (CalEITC) – are struggling to make ends meet, and I am fully committed to putting more money in Californians’ pockets to reduce their struggle and improve their lives. AB 398 will help the working poor by increasing the minimum CalEITC refund to \$300, putting money back in the pockets of Californians to help them cover the rising cost of housing, food, utilities and more.”

Establishing a minimum credit of \$300 would more meaningfully help Californian’s working poor that are struggling to make ends meet with increased cost of living expenses. It will also help encourage workers to file their taxes which will result in billions of dollars in increased federal funding coming into California that otherwise goes unclaimed as a result of some Californians not filing their taxes.

AB 398 is sponsored by Prosper California Coalition (formerly CalEITC Coalition), and is supported by Golden State Opportunity, GRACE/ End Child Poverty California, and the United Ways of California.

"California families are working harder than ever but still struggling to afford basic necessities. AB 398 is a crucial step toward economic justice, ensuring that every eligible worker receives at least \$300 through the CalEITC." said Amy Everitt, President Golden State Opportunity. "This legislation will put real money back into the hands of those who need it most—helping them pay for rent, food, and childcare while also strengthening local economies. We are proud to stand with Assemblymember Ahrens in the fight for a fairer California."

"As we celebrate the 10th anniversary of establishing the CalEITC, we're grateful for California's leadership in continuing to expand this essential tax credit to more workers and more families year after year," said Danielle Bautista, Director of Public Policy, United Ways of California. "We must continue this progress by increasing the CalEITC minimum from \$1 to \$300, which would give eligible households peace of mind when it comes to planning their financial stability goals. United Ways of California is proud to continue our decade-long support for this vital state tax credit by co-sponsoring AB 398 by Assemblymember Ahrens."

“The CalEITC is a powerful poverty-fighting tool for many families, delivering \$1.4B to Californians with low incomes annually. But too many folks earning less than \$32,000 cannot rely on a meaningful credit. We are proud to co-sponsor Assemblymember Ahrens’ AB 398 which will raise the CalEITC minimum to \$300, ensuring everyone who claims the CalEITC can go home with a large enough credit to buy groceries, pay the bills, or afford other everyday necessities.” - Sam Wilkinson, Senior Policy Associate, GRACE - End Child Poverty CA

AB 398 awaits referral to policy committees in the State Assembly.

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Patrick Ahrens represents the Silicon Valley in the California State Assembly. He was elected in 2024 after serving as a Trustee on the Foothill-De Anza Community College District Board. He serves as a Member of the Assembly Committees on Budget, Budget Subcommittee No. 2 on Human Services, Business and Professions, Communications and Conveyance, Rules, and Transportation. Assemblymember Ahrens is the Co-Chair of the California Legislative Technology & Innovation Caucus, and a Member of the California Legislative Jewish Caucus and the Bay Area Caucus.