



NEW YORK STATE SENATOR

Andrew Gounardes

Sen. Gounardes' Working Families Tax Credit Included in Senate & Assembly Budget Proposals

ANDREW GOUNARDES March 11, 2025

| ISSUE: **WORKING FAMILIES, CHILD TAX CREDIT, CHILD POVERTY, AFFORDABILITY**



The Working Families Tax Credit would give families up to \$1,600 per child annually to pay for essentials like groceries, rent and childcare

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View full one-house budget language: [Senate](#) and [Assembly](#).

Albany, NY - The New York State Senate and Assembly released their respective One-House Budget proposals today, and both include the full Working Families Tax Credit ([S.2082/A.3474](#)), a bold state proposal to address New York's affordability crisis, slash child poverty and grow the middle class.

[The Working Families Tax Credit](#), state legislation sponsored by State Senator Andrew Gounardes and Assemblyman Andrew Hevesi, combines and expands existing tax credits to give families up to \$1,600 per child annually, guarantee a \$100 minimum credit per child and pay out the benefit quarterly instead of once per year—giving families much-needed support to pay for essentials like groceries, rent and child care. The credit would also be [pinned to inflation](#), so support for families will grow even if costs rise.

The budget proposals come in the wake of [recent research](#) that finds 1 in 4 New York City residents can't afford essentials, and that the share of New Yorkers in poverty is nearly double the national average. Families with children 6 or younger are [twice as likely](#) to move out of the city as other New Yorkers. And the cost-of-living crisis is not limited to New York City; Buffalo, Syracuse, and Rochester have among the [highest child poverty rates](#) in the country.

The Working Families Tax Credit—which is crafted to enable New York to meet its legally-mandated [poverty reduction goals](#) and stop working families from [leaving the state](#)—would slash child poverty nearly 17% and cut deep child poverty by 22%, [according to Policy Engine](#), which also found the proposal would increase the net income of more than a third of the state's residents. The bill is also identical to [the top recommendation](#) of Governor Kathy Hochul's expert [Child Poverty Reduction Advisory Council](#).

"By including the Working Families Tax Credit in our one-house budgets, New York's legislature is sending a simple message, loud and clear: you should not have to be a

millionaire to raise a family in this city,” said **State Senator Andrew Gounardes**. “We must not—we cannot—accept a reality where children go to sleep hungry in the wealthiest city in the world. Working-class and middle-class New Yorkers deserve more than the crumbs that fall off the table. My Working Families Tax Credit would give families up to \$1,600 per child annually—an amount that will be paid out on a quarterly basis and grow with inflation—so they can afford essentials like groceries, childcare and rent. It’s the bold policy we need to tackle the affordability crisis, slash child poverty and grow the middle class.”

"This budget presents a historic opportunity to lift thousands of families out of poverty, and help many more achieve lasting economic security. The Legislature's prioritization of the Working Families Tax Credit in negotiations is a testament to the leadership in both the Assembly and Senate—and with the Governor's partnership, we can get WFTC across the finish line and deliver real, tangible relief for New Yorkers." **said Assemblymember Andrew Hevesi, Chair, Committee on Children and Families.**

“We are excited to see The Working Families Tax Credit be included in both the Assembly and Senate One Houses. This is a huge step toward a future where New York no longer ranks as one of the top states for child poverty rate in the nation. Governor Hochul made a promise to fight for New York’s families, and experts agree: The best way to cut child poverty is to enact the Working Families Tax Credit to put more money in parents' pockets. Now, it’s time for Governor Hochul to follow through and ensure the Working Families Tax Credit becomes law this year,” said **Ana María Archila and Jasmine Gripper, Co-Directors, New York Working Families Party.**

"For far too long, New York's tax system has left behind the people that keep our state and our cities up and running: the low-income, immigrant, working families. It is time to stop this injustice. The inclusion of the Working Families Tax Credit in the one-house budget is a powerful acknowledgment that Albany is listening to our community's needs, and is a step

forward in building a more fair and inclusive economy for New York State," said **Murad Awawdeh, President and CEO of the New York Immigration Coalition**. "Governor Hochul must join the fight against child poverty and ensure the Working Families Tax Credit is fully funded and enacted in the FY26 budget."

"By putting money back into the pockets of people who need it most, the Working Families Tax Credit (WFTC) offers financial empowerment to hardworking families. We are grateful to the Senate and Assembly for including this critical proposal in their one house proposals", said **Tara Klein, Deputy Director of Policy & Advocacy at United Neighborhood Houses (UNH)**.

"Across New York, families continue to face economic hardships daily. While an expansion of the Empire State Child Tax Credit would help, it doesn't go far enough to strengthen communities and shore up families who are struggling. We call on the Governor to join her colleagues in the Senate and Assembly in supporting the WFTC, which provides more meaningful support for the lowest-income New Yorkers who need it most."

"We commend the NYS Assembly and Senate for including the Working Families Tax Credit in their respective budget proposals. As much as times are trying for everyone, low- and moderate-income New Yorkers are especially struggling as wages aren't keeping up with costs. Policies that are thoughtfully designed to make sure working families stay and thrive here – like the Working Families Tax Credit, including an expanded Child Tax Credit – are what we need in this challenging moment. We urge state leaders to include these robust refundable tax credits in the final NYS budget." said **Kate Breslin, President and CEO at the Schuyler Center for Analysis and Advocacy**.

"The Children's Agenda is thrilled to see the legislature's proposal to enact the Working Families Tax Credit in the state budget this year. Our state's unacceptably high rates of child poverty are the results of policy choices – not personal failures – and it is exciting to see the State Senate and Assembly decide to make a different choice this year. Tax credits are a

proven tool to reduce child poverty and make New York State more affordable for all families. We urge the legislature and Governor to include this proposal in the enacted state budget,” said **Larry Marx, CEO, The Children's Agenda**.

"It's thrilling to see the Legislature build on the Governor's commitment to expanding child tax credits by embracing the WFTC. This decisive action to support families and reduce child poverty signals a significant shift towards both socioeconomic and racial equity, as families of color are disproportionately impacted by poverty. We know tax credits reduce poverty, both from what we learned from child tax credits during the pandemic and what we hear from the families we work with. Parents we work with through our policy and advocacy lab consistently tell us they will use this extra support to cover basic needs, which not only supports them but drives tax money into local communities," said **Arlen Benjamin-Gomez, Executive Director of EdTrust—New York**.

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Enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2025-2026 state fiscal year

January 22, 2025

In Senate Committee **Finance**

Do you support this bill?