

ALEC EXPOSED

"ALEC" has long been a secretive collaboration between Big Business and "conservative" politicians. Behind closed doors, they ghostwrite "model" bills to be introduced in state capitols across the country. This agenda—underwritten by global corporations—includes major tax loopholes for big industries and the super rich, proposals to offshore U.S. jobs and gut minimum wage, and efforts to weaken public health, safety, and environmental protections. Although many of these bills have become law, until now, their origin has been largely unknown. With **ALEC EXPOSED**, the Center for Media and Democracy hopes more Americans will study the bills to understand the depth and breadth of how big corporations are changing the legal rules and undermining democracy across the nation.

ALEC's Corporate Board
—in recent past or present

- AT&T Services, Inc.
- centerpoint360
- UPS
- Bayer Corporation
- GlaxoSmithKline
- Energy Future Holdings
- Johnson & Johnson
- Coca-Cola Company
- PhRMA
- Kraft Foods, Inc.
- Coca-Cola Co.
- Pfizer Inc.
- Reed Elsevier, Inc.
- DIAGEO
- Peabody Energy
- Intuit, Inc.
- Koch Industries, Inc.
- ExxonMobil
- Verizon
- Reynolds American Inc.
- Wal-Mart Stores, Inc.
- Salt River Project
- Altria Client Services, Inc.
- American Bail Coalition
- State Farm Insurance

For more on these corporations, search at www.SourceWatch.org.

DID YOU KNOW? Corporations VOTED to adopt this. Through ALEC, global companies work as "equals" in "unison" with politicians to write laws to govern your life. Big Business has "a VOICE and a VOTE," according to newly exposed documents. **DO YOU?**

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Earned Income Tax Credit for Parents

Did you know that global pharmaceutical company Bayer Healthcare was the corporate co-chair in 2011?

Summary

This act provides for a refundable tax in the amount of four percent of the taxpayers earned income for one or more dependent child under the age of 18, and additional four percent of the taxpayers earned income if any dependent child is under the age of five at the end of the taxable year, and an additional four percent of the taxpayers earned income of the taxpayer is lawfully married to a dependent spouse. This amount shall not exceed \$12,500.

Model Legislation

Section 1. {Title.} This Act may be cited as the Earned Income Tax Credit for Parent Act.

Section 2.

(A) Section (in appropriate Section) of the Internal Revenue Code is amended by redesignating (insert section) as section (insert) and by inserting after (insert section) the following revenue section: (redesignated section). In the case of an individual there is allowed as a refundable credit an amount equal to the earned income tax credit amount for the taxable year.

(B) For the purpose of this section:

- (1) the earned income tax credit amount for the taxable year is an amount equal to the sum of the applicable credit percentages of so much of the taxpayer's earned income as does not exceed \$12,500.
- (2) for the purposes of Paragraph (1) the applicable credit percentage is:

- (a) Four percent if the taxpayer has one or more dependent child, and
- (b) An additional four percent if any dependent child of the taxpayer is under age five at the end of the taxable year; and
- (c) An additional four percent if the taxpayer is lawfully married to a qualified dependent spouse.

(C) For the purpose of this Section, the term "qualified dependent child" means any individual:

- (1) who is a dependent (as defined in section 152 of the Internal Revenue Code) of the taxpayer;
- (2) who is a child (as defined in section 151 (c)(3) of the Internal Revenue Code) of the taxpayer; and
- (3) who has not attained the age of 18 at the close of the calendar year in which the taxable year of the taxpayer begins.

Such term does not include any dependent of an individual receiving aid or assistance under Part A or Part E of Title IV of the Social Security Act.

(D) For purposes of this section the term, "qualified dependent spouse" means any individual who is:

- (1) lawfully married to the taxpayer; and
- (2) who is a dependent spouse as defined in section (insert) of the Internal Revenue Code. The taxpayer shall receive no credit for a qualified dependent spouse unless a credit is received for a qualified dependent child.

(E) In the case of an individual who is legally married, this section shall apply only if a joint return is filed for the taxable year.

(F) Except in the case of a taxable year closed by reason of the death of the taxpayer, no credit shall be allowed under this section in the case of a taxable year covering a period of less than 12 months.

(G)

(1) The amount of the credit allowed by this section shall be determined under tables prescribed by (insert appropriate agency).

(2) The tables prescribed under Paragraph (B)(1) shall reflect the provisions of Subsections (A) and (B) and shall have income brackets of no greater than {insert amount} each for earned income between \$0 and the amount of earned income at which the credit is phased down to the amount applicable under subsection (B)(3)(c).

(H)

(1) In the case of any taxable year beginning after {insert year}, the \$12,500 and the \$16,000 amounts in Subsection (B) shall be increased by an amount equal to:

(a) such dollar amount, multiplied by

(b) the cost of living adjustment determined for the calendar year in which the taxable year begins.

(2) If the increase in (B)(1) is not a multiple of \$10, such increases shall be rounded to the nearest multiple of \$10.

Section 3. {Severability clause}

Section 4. {Repealer clause}

Section 5. {Effective date}

Were your laws repealed?

1995 Sourcebook of American State Legislation

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