



October 5, 2026

Submitted via www.regulations.gov
Internal Revenue Service
Office of Associate Counsel (Income Tax & Accounting)

RE: Application of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to the Refunded Portion of Certain Federal Refundable Tax Credits (REG-119882-25)

Thank you for the opportunity to submit comments on the Department of Treasury (Treasury) and Internal Revenue Service (IRS) notice of proposed rulemaking (NPRM), "Application of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to the Refunded Portion of Certain Federal Refundable Tax Credits", published in the Federal Register on August 20, 2026. The undersigned 82 organizations and institutions, which make up the Healthy Families Tax Credits Coalition, write in strong opposition to the NPRM and urge Treasury and the IRS to withdraw the proposed changes, which would harm families, undermine children's health and economic security, and impose significant burdens on taxpayers and tax administrators.

The Healthy Families Tax Credits Coalition is a Massachusetts network of community-based organizations, direct service providers, tax preparers, health care institutions, researchers, and advocates working to expand and increase access to refundable tax credits. Launched in 2015, our coalition has successfully advocated to expand the Massachusetts Earned Income Tax Credit (EITC), now a 40 percent match of the federal EITC, and establish a Massachusetts Child Tax Credit (CTC). We have also promoted federal tax credits and accessible filing options to help Massachusetts families access these critical resources.

As a coalition committed to strengthening and improving access to refundable tax credits, we are deeply concerned that this proposal would deny the refundable portion of several tax credits, including the EITC and CTC, to many people who are lawfully present in the US, and in doing so take critical resources away from entire families.

The proposed rule threatens the financial security and health of families and children.

Refundable tax credits, including the EITC and CTC, are a proven tool for reducing poverty and hardship, supporting families, and promoting child health and development.¹ The EITC supplements the earnings of families with low and moderate incomes, while the CTC helps families meet the costs of raising children. In 2025, the federal EITC and refundable portion of the CTC lifted 6.1 million people, including 3.3 million children, above the poverty line.² For families with low incomes, refundable credits can provide significant support that help with



affording food, housing, utilities, child care, and other necessities. Reducing families' access to the EITC and CTC will deepen financial hardship and have consequences for children's health and well-being.

While the NPRM estimates that 200,000 to 700,000 taxpayers could become directly ineligible, the loss of the tax credit will be felt by entire families, including children. The Research to Action Hub for Children in Immigrant Families estimates that approximately 671,000 people, including 309,000 children, live in families that could lose eligibility for the EITC under the proposed rule and that approximately 1.125 million people, including 574,000 children, live in families that could lose eligibility for the refundable portion of the CTC.³ An estimated 566,000 people, including 285,000 children, could lose eligibility for both credits.⁶ Nearly 9 in 10 children who could lose eligibility for either or both credits are US citizens.⁶

This change would impose a significant financial loss on families with the fewest resources to absorb it, while creating ripple effects beyond the federal tax system.

The proposed rule will create a chilling effect and undermine access to tax credits for eligible families.

The proposed rule's consequences will extend beyond those who are directly excluded. Families with mixed immigration statuses may avoid filing taxes or claiming credits for which they are eligible due to confusion about new requirements, fear of disclosing personal information, or concerns about how their information may be used. Further, the draft form would require families to state that they wish to claim a federal public benefit. This requirement alone may deter people who fear public charge consequences, do not think they are "needy" enough to claim a "public benefit," want to leave benefits for others, or do not understand the question.

Under the proposed rule, anyone claiming the refundable tax credits will have to attest, under penalty of perjury, that they are a US citizen or national or a "qualified immigrant". Requiring taxpayers to disclose or verify immigration status as part of the tax filing process represents a significant departure from the longstanding approach to administering these credits. Such a change risks eroding trust in the tax system and discouraging participation.

The proposed rule will create unnecessary administrative burden and complexity and undermine state tax credit policies.

The proposed requirements and restrictions would add substantial complexity to an already challenging tax filing process. Families, tax preparers, and community organizations would need to navigate new eligibility rules, determine who qualifies, and explain how immigration status affects the refundable portion of the credits. This uncertainty underscores the risk of confusion, erroneous denials, and additional administrative burdens for both families and tax preparers.



Further, federal restrictions that discourage tax filing or create confusion about eligibility could undermine access to state credits, even when families remain eligible under state law.

In Massachusetts, the consequences could be compounded because the state EITC is explicitly tied to the federal EITC, meaning that changes that disrupt families' access to the federal credit can also jeopardize access to state resources. A federal policy that makes it harder or less safe for eligible families to file and claim the credits to which they are entitled risks undermining not only access to federal tax credits, but also state investments designed to strengthen family economic security.

We urge Treasury and the IRS to withdraw the proposed rule.

Refundable tax credits, including the EITC and CTC, are evidence-based investments in children, families, and communities. Restricting access would increase hardship, jeopardize health and well-being, discourage tax filing, and create unnecessary complexity for taxpayers, states, tax preparers, and community organizations. We urge Treasury and the IRS to withdraw the NPRM and instead preserve and expand pathways for families to claim refundable tax credits.

Sincerely,

The Healthy Families Tax Credits Coalition

ABCD/Action for Boston Community Development
ACT Lawrence
Alliance of Massachusetts YMCAs
Amor Agape Servicios Comunitarios
Boston Medical Center
Boston Public Health Commission
Boston Tax Help Coalition
Brazilian Women's Group
Brazilian Worker Center
Cambridge Economic Opportunity Committee (CEOC)
Center for Public Representation
Central Massachusetts Housing Alliance
Children's HealthWatch
Children's League of Massachusetts
Chinese Progressive Association
Codman Square Neighborhood Development Corporation (NDC)
Community Action Agency of Somerville
Community Action Pioneer Valley
Community Economic Development Center, New Bedford



Dominican Development Center, Inc.
Dragonfly Financial Solutions LLC
East Boston Social Centers
Ellis Early Learning
EMPath
Empowered and Dedicated to Edify the Nation (EDEN)
Food Bank of Western Massachusetts
Fortezela, Inc.
Greater Boston Legal Services
Greater Lawrence Community Action Council, Inc.
Groundwork Lawrence
Horizons for Homeless Children
Housing Families, Inc.
Hyde Park Neighborhood Association
Immigrants' Assistance Center, Inc.
Immigrant Family Services Institute (IFSI-USA)
Immigrant Service Providers Group/Health
Jewish Alliance for Law and Social Action
Jewish Family Service of Metrowest Massachusetts
Jewish Vocational Services, Boston
La Colaborativa
Massachusetts Association for Community Action (MASSCAP)
Massachusetts Association of Community Development Corporations (MACDC)
Massachusetts Budget & Policy Center
Massachusetts Coalition for the Homeless
Massachusetts Head Start Association
Massachusetts Immigrant and Refugee Advocacy Coalition (MIRA)
Massachusetts Law Reform Institute (MLRI)
Massachusetts Nonprofit Network
Massachusetts Public Health Association
Medical-Legal Partnership Boston (MLPB)
Merrimack Valley Food Bank
Midas Collaborative
National Consumer Law Center
The Neighborhood Developers
Neighborhood Villages
One Family, Inc.
Partnership for Financial Equity
Paula's Barn Child Care
People Acting in Community Endeavors (PACE)
Project Bread
RESULTS MA
Rian Immigrant Center



Rosie's Place
Safety Net Project, Legal Services Center of Harvard Law School
SomerPromise, City of Somerville
SkillWorks
Square One
St. Anthony's Food Pantry
Strategies for Children
StreetCred
Three Sisters
Together for Kids Coalition
TOOTRIS Child Care On-Demand
Transition House
True Alliance Center Inc.
United Way of Massachusetts Bay
Vietnamese American Initiative for Development (VietAID)
Women's Money Matters
Worcester Community Action Council
Worcester County Food Bank
YWCA Cambridge

¹ Bruce C, et al. The Earned Income Tax Credit and Child Tax Credit: Building on Success for Healthy Families. Children's HealthWatch. 2020.

² Bijou C, Shrider EA. Poverty in the United States: 2025. United States Census Bureau. 2026.

³ Wong E, Joshi P, Acevedo-Garcia D, et al. New Estimates of the Total Number of People and Children in Immigrant Families Who Could Lose Eligibility for the Refundable Portions of the Earned Income Tax Credit and Child Tax Credit. Research to Action Hub for Children in Immigrant Families. 2026.