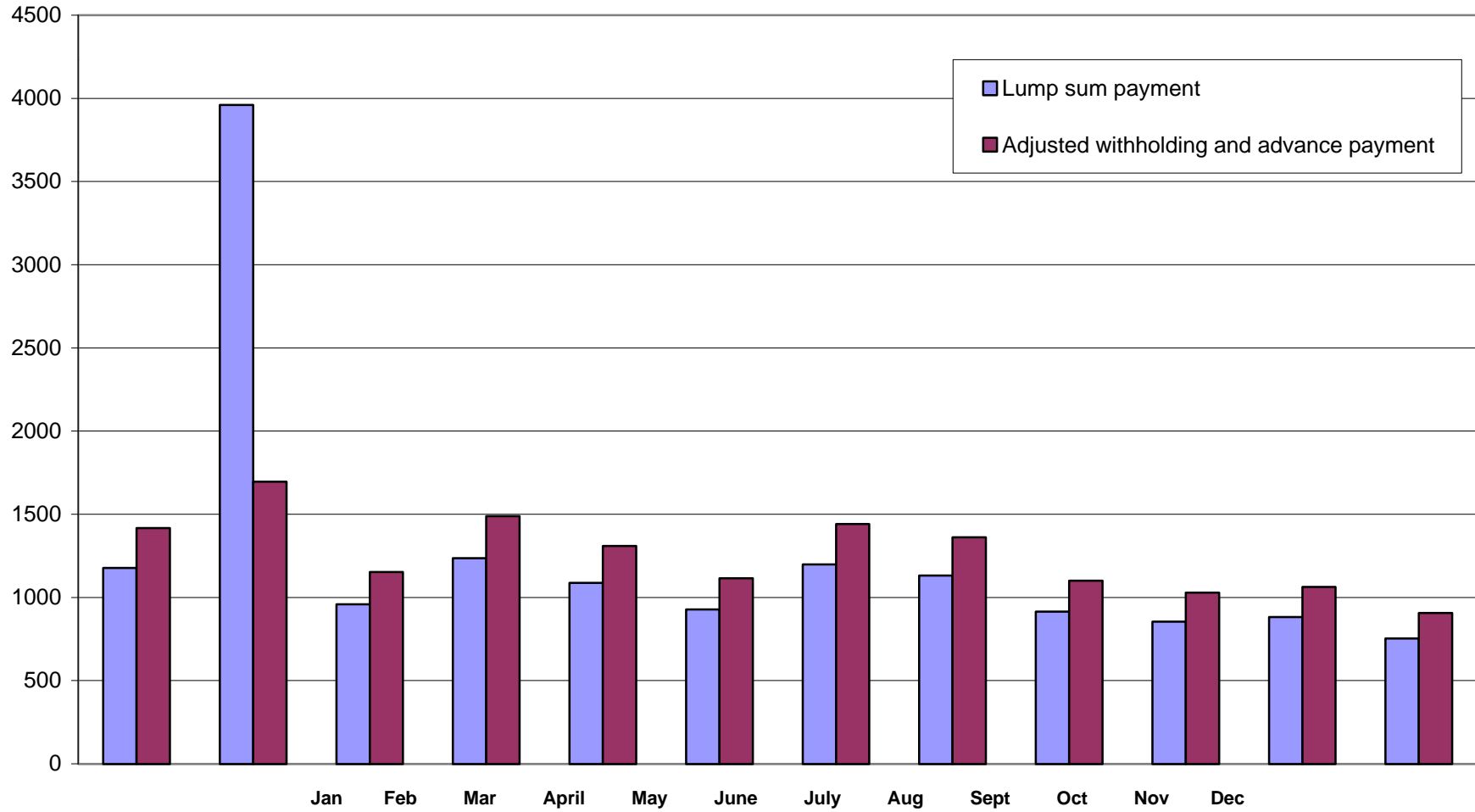


Figure 1  
Sample Monthly Income  
Under advance and lump-sum options



**Table 1**  
**Demographics of Sample**

| Characteristic                            | New Hope<br>CFS Sample | Ethnographic<br>Sub-sample | 1994 Federal EIC<br>Recipients (1) |
|---|------------------------|----------------------------|------------------------------------|
| Size                                      | N = 812                | N = 42                     | N = 14.9 million                   |
| <b>Primary respondent characteristics</b> |                        |                            |                                    |
| Gender                                    |                        |                            |                                    |
| Female                                    | 85.5                   | 95.3                       |                                    |
| Male                                      | 14.5                   | 4.7                        |                                    |
| Age (%)                                   |                        |                            |                                    |
| under 26                                  | 13.8                   | 11.9                       | 13.1                               |
| 25-45                                     | 80.9                   | 85.7                       | 68.8                               |
| over 46                                   | 5.3                    | 2.4                        | 18.4                               |
| Average age (2)                           | 32.5                   | 32.9                       |                                    |
| Race/ethnicity (%)                        |                        |                            |                                    |
| African-American                          | 50.5                   | 52.4                       |                                    |
| Hispanic                                  | 26.8                   | 33.3                       |                                    |
| White, non-Hispanic                       | 11.5                   | 14.3                       |                                    |
| other                                     | 11.2                   |                            |                                    |
| <b>Household Structure (3)</b>            |                        |                            |                                    |
| Number of Children (%)                    |                        |                            |                                    |
| one child                                 | 19.4                   | 10.0                       | 54.3                               |
| two or more children                      | 77.9                   | 87.5                       | 45.6                               |
| three or more                             | 50.4                   | 45.0                       |                                    |
| Household contains (%)                    |                        |                            |                                    |
| Spouse                                    | 21.8                   | 12.5                       |                                    |
| Partner                                   | 16.7                   | 10.0                       |                                    |
| Other adult relatives                     | 15.6                   | 23.8                       |                                    |
| Filing status (%)                         |                        |                            |                                    |
| married                                   |                        |                            | 33.3                               |
| head of household                         |                        |                            | 63.6                               |
| single                                    |                        |                            | 3.0                                |

Notes: (1) from GAO Earned Income Credit: Profile of Tax Year 1994 Credit Recipients. Only includes households with children. (2) at NH exit (3) at 24 month follow-up, N = 637 CFS eligibility is based on having children in household at NH sign-up; not all households contain children at follow-up.

**Table 2**  
**Work, Earnings and Income** <sup>(1)</sup>

| <b>Characteristic</b>              | <b>New Hope<br/>CFS Sample</b> | <b>Ethnographic<br/>Sub-sample</b> |
|------------------------------------|--------------------------------|------------------------------------|
| Size                               | N = 812                        | N = 42                             |
| <b>Ever worked</b>                 | 93.6%                          | 92.9%                              |
| <b>Among those who ever worked</b> | N = 760                        | N = 39                             |
| Average annual earnings            | \$8,560                        | \$8,237                            |
| Average annual hours               | 1498                           | 1422                               |
| Earnings: cash income ratio (2)    | 85.8%                          | 62.8%                              |

Notes: (1) In first two years of program, by UI and MIS data. (2) Includes primary and secondary wage earner (when available)

**Table 3**  
**Knowledge and Use of the**  
**Earned Income Tax Credit**

|   | <b>New Hope<br/>CFS Sample</b> | <b>Ethnographic<br/>Sub-sample</b> |
|---|--------------------------------|------------------------------------|
| <b>SURVEY QUESTIONS</b> (% responding 'yes')                                  |                                |                                    |
|   | N = 637                        | N = 40                             |
| Have you heard of the Earned<br>Income Tax Credit?                            | 86.3                           | 90.0                               |
| In the last year, have you used it<br>on your federal or state<br>tax return? | 72.3                           | 72.7                               |
| <b>ADMINISTRATIVE RECORDS</b>   |                                |                                    |
| Estimated percentage filing in 1996   | 77.0                           | 76.7                               |
| Estimated percent eligible for EIC  | 55.3                           | 41.8                               |
| <b>Among those who received the credit,<br/>1996 EIC amount (\$)</b>          |                                |                                    |
| Wisconsin   | 557                            | 443                                |
| Federal   | 2095.3                         | 2245                               |
| Total   | 2652                           | 2688                               |

Source: 24-month New Hope Survey, IRS and Wisconsin Department of Revenue administrative data

**Table 4**  
**Material Hardship**

| Measure  | Eligible for<br>New Hope | Control Group | p-value |
|--|--------------------------|---------------|---------|
| Size   | N = 317                  | N = 322       |         |
| <b>In the last year, has there been a time when<br/>you and your immediate family...</b><br>(% responding 'yes') |                          |               |         |
| were without phone services?   | 37.2                     | 37.9          | 0.863   |
| did not pay the full rent or mortgage?   | 23.1                     | 24.2          | 0.739   |
| were evicted for nonpayment of rent?   | 4.4                      | 7.1           | 0.142   |
| had gas or electric turned off?  | 13.0                     | 14.9          | 0.482   |
| borrowed money from friends for bills?   | 26.8                     | 30.7          | 0.273   |
| did not buy something you really needed?   | 64.8                     | 70.0          | 0.178   |

Source: 24-month New Hope Survey (N = 637)