

*Immediate Release*

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## **West Virginia Poverty Rate Up Again in 2014 A State Earned Income Tax Credit Would Help**

(Charleston, WV) Thousands of West Virginians continued to struggle to make ends meet in 2014, according to new data released today from the U.S. Census Bureau, making it clear the need for West Virginia to enact a state earned income tax credit which would make it easier for people to build a secure future.

Nearly one in five West Virginians struggled to afford basic necessities in 2014, living on less than \$24,000 a year for a family of four. Almost one in four West Virginia children is growing up in a family struggling just to get by. West Virginia has seen no progress in reducing poverty since the end of the recession, and the number of people living in poverty remains too high, holding back our economy and hampering our children's futures.

Enacting a pro-work state earned income tax credit would open the doors of opportunity for people at low-wage jobs by letting them keep more of what they earn to help pay for things that allow them to keep working, such as child care and transportation. This will help build a more secure future for these families – including their kids – while boosting local economies across the state. In contrast, proposals to cut taxes for the wealthy and businesses would close the doors of opportunity, taking away resources from services families rely on every day without boosting the economy or creating jobs.

"A state earned income tax credit would help low-wage earners stay on the job, allowing them to build a more secure future, while helping to lift those struggling families out of poverty," said Sean O'Leary, policy analyst for the West Virginia Center on Budget and Policy.

A state earned income tax credit, set at 15% of the federal credit, would supplement the existing federal earned income tax credit and benefit 158,000 working West Virginia families. It would provide an average credit of \$332 a year to those families and put \$52 million back into local economies in West Virginia. Twenty-six other states and the District of Columbia already have a state earned income tax credit.

West Virginia highlights from the 2014 American Community Survey include the following:

- An estimated 327,764 West Virginians lived in poverty in 2014, for a total poverty rate of 18.3 percent. The state's poverty rate remains unchanged since the recession. West Virginia has the 9<sup>th</sup> highest poverty rate among the 50 states.
- West Virginia's child poverty rate in 2014 was 24.3 percent, a slight decrease from 2013. An estimated 89,528 children lived in poverty in 2014. West Virginia had the 13<sup>th</sup> highest child poverty rate among the 50 states.
- Poverty is much worse for African Americans in West Virginia. The state's poverty rate for African Americans was 31.6 percent in 2014.

- Seniors in West Virginia are less likely to be in poverty than the rest of the state. The state’s senior poverty rate in 2014 was 9.3 percent, roughly half of the state’s total poverty rate. An estimated 29,809 West Virginians over the age of 65 living in poverty.
- Poverty rates decrease for adults with higher levels of education. In 2014, the poverty rate for West Virginians with at least a bachelor’s degree was 5.5 percent, while it was 14.9 percent for those with just a high school diploma. Poverty was highest among those who did not graduate from high school, at 30.3 percent.
- Women in West Virginia face higher poverty rates than men. In 2014, West Virginia’s poverty rate for women was 19.7 percent, compared to 16.8 percent for men.
- Unemployed West Virginians are five times more likely to be living in poverty as employed West Virginians. In 2014 the poverty rate for employed West Virginians was 8.3 percent, while it was 38.8 percent for the unemployed.
- West Virginia’s median household income was an estimated \$41,059 in 2014. Median household income measures the income of the typical household – or the household in the middle of the income distribution – and serves as a good indicator for how the middle class is faring. West Virginia’s median household income is still below its pre-recession peak. In 2014, West Virginia has the 2nd lowest median household income among the 50 states.

**West Virginia Local Metropolitan Area Poverty and Median Household Income 2014**

	Poverty Rate	Median Household Income
Beckley, WV Metro Area	12.9%	\$39,498
Bluefield, WV-VA Micro Area	19.4%	\$36,690
Charleston, WV Metro Area	17.9%	\$42,761
Clarksburg, WV Micro Area	12.8%	\$41,708
Huntington-Ashland, WV-KY-OH Metro Area	18.2%	\$40,830
Morgantown, WV Metro Area	23.5%	\$41,924
Parkersburg-Vienna, WV Metro Area	17.9%	\$41,793
Weirton-Steubenville, WV-OH Metro Area	16.9%	\$44,582
Wheeling, WV-OH Metro Area	16.3%	\$40,929
Statewide, WV	18.3%	\$41,059