

[FAIRR Act](#)

Background and Purpose

The *Fairness for Americans in Internal Revenue Refunds Act* (FAIRR), H.R. 1657, will strengthen our stewardship of taxpayer dollars, and promote the rule of law with regard to immigration, by ensuring that undocumented immigrants who benefit from President Obama's executive deferred-action programs (DACA/DAPA) cannot claim the Earned Income Tax Credit (EITC).

The EITC is a long-standing, popular, and effective refundable tax credit that assists working families of low-to-moderate income and helps them to participate in the economy. In 2012, 19% of all taxpayers claimed the EITC, with \$64.1 billion being paid to 27.8 million filers. To claim the EITC, a filer must have a valid SSN. In addition, a married filer must file jointly and both spouses must have valid SSNs, and any children counted for purposes of the credit must also have valid SSNs.

Under the President's deferred-action programs, otherwise-illegal immigrants will be given SSNs and authorization to work. This would allow them to not only claim the EITC but make amended filings for up to three years during which they did not have an SSN or authorization to work. In sum, tax filers under DACA/DAPA stand to receive up to \$24,000 in refundable tax credits – *each*. With our national debt rising over \$18 trillion, and the President bypassing Congress in effectively granting amnesty to 5.2 million people, we must act to ensure that the EITC is not awarded to those who entered this country illegally.

Legislative Solution

The FAIRR Act would stop undocumented immigrants who benefit from the executive DACA/DAPA programs from claiming the EITC upon their receipt of an SSN. It does so specifically by:

- 1) Requiring Department of Homeland Security (DHS) to designate on employment authorization cards, or any document attesting to a DACA/DAPA beneficiary's deferred-action status, that the bearer has received the document pursuant to DACA/DAPA.
- 2) Requiring the Social Security Administration (SSA) to work with DHS to record all SSNs that are issued as a result of DACA/DAPA; and further requiring SSA to, in their regular furnishing of SSNs to the Internal Revenue Service (IRS), identify the SSNs that were so issued as such.
- 3) Amending §32(m) of the Internal Revenue Code to maintain that SSNs issued as a result of DACA/DAPA do not fulfill the requirement for an EITC claimant to provide a valid SSN.

The FAIRR Act's provisions additionally apply to any future deferred-action programs similar to those of the current administration. Though DACA/DAPA do not provide a path to citizenship, FAIRR's preventative measures further provide that, if at some point in the future a DACA/DAPA immigrant becomes a naturalized citizen, he or she will not be able to amend filings to claim the EITC for years during which they were not a citizen. Any other future status adjustment for a beneficiary of DACA/DAPA will not allow them to access the EITC.