

Impact Factor: **2.3**

5-Year Impact Factor:

 Contents

Abstract

The Earned Income Tax Credit (EITC) is distributed annually at the end of the year to households with a lack of financial stability. Drawing upon the data from a pilot program, we find that advanced periodic payments help mitigate financial instability for EITC recipients. Interview participants relate that advanced periodic payments result in a reduction in perceived stress, lower levels of debt, fewer unpaid bills, and the ability to engage youth in extracurricular activities. The findings provide a unique perspective on the ways in which low-income households cope with financial instability and stress and suggest that payment frequency options can play a small but important role in the way in which the EITC operates as a support mechanism.

By clicking "Accept Non-Essential Cookies", you agree to the storing of cookies on your device to enhance site navigation, analyze site usage, and assist in our marketing efforts. [Privacy Policy](#) [Cookie Policy](#)

[Manage Cookies](#)[Accept Non-Essential Cookies](#)[Reject Non-Essential Cookies](#)

Get full access to this article

View all access and purchase options for this article.

[Get Access](#) 

References

Andrade Flavia C.D., Kramer Karen Z., Monk J. Kale, Greenlee Andrew J., Mendenhall Ruby 2017. "Financial Stress and Depressive Symptoms: The Impact of an Intervention of the Chicago Earned Income Tax Periodic Payment." *Public Health* 153 (Suppl. C): 99-102.

[Crossref](#)[Web of Science](#)[Google Scholar](#)

Aneshensel Carol S. 1992. "Social Stress: Theory and Research." *Annual Review of Sociology* 18: 15-38.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Armstrong David, Gosling Ann, Weinman John, Marteau Theresa. 1997. "The Place of Inter-rater Reliability in Qualitative Research: An Empirical Study." *Sociology* 31 (3): 597-606.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Austin Michael J., Chow Julian, Hastings Julia, Taylor Sarah, Johnson Michelle, Lemon Kathy, Leer Ericka. 2004. "Serving Low-Income Families in Poverty Neighborhoods Using Promising Programs and Practices: Building a Foundation for Redesigning Public and Nonprofit Social Services." Accessed April 11, 2020. <http://cssr.berkeley.edu/pdfs/lowIncomeFam.pdf>.

[Google Scholar](#)

Barker Joel, Frederick Chadrick. 2016. "Billions Lost Yearly to Earned Income Tax Credit: Errors Or Fraud?" *Journal of Business & Economics Research* 14(4): 145-52.

[Crossref](#)

[Google Scholar](#)

Barr Michael S., Dokko Jane. 2006. "Tax Filing Experiences and Withholding Preferences of Low- and Moderate-Income Households Preliminary Evidence from a New Survey." IRS Research Bulletin, Publication 1500. In *Recent Research on Tax Administration and Compliance: Selected Papers Given at the 2006 IRS Research Conference*, Department of the Treasury, Internal Revenue Service, Washington, DC. Accessed April 11, 2020. <http://repository.law.umich.edu/cgi/viewcontent.cgi?article=1020&context=other>.

[Google Scholar](#)

Berube Alan. 2006. "Using the Earned Income Tax Credit to Stimulate Local Economies." Living Cities Policy Series. Accessed April 11, 2020. <https://www.brookings.edu/wp-content/uploads/2016/06/Berube20061101eitc.pdf>.

[Google Scholar](#)

Beverly Sandra, McBride Amanda M., Schreiner Mark. 2003. "A Framework of Asset-Accumulation Stages and Strategies." *Journal of Family and Economic Issues* 24: 143-56.

[Crossref](#)

[Google Scholar](#)

Bhargava Saurabh, Manoli Day. 2012. "Why Are Benefits Left on the Table? Assessing the Role of Information, Complexity, and Stigma on Take-Up with an Irs Field Experiment." *NA—Advances in Consumer Research* 40. Accessed April 11, 2020. <http://acrwebsite.org/volumes/1012975/volumes/v40/NA-40>.

[Google Scholar](#)

Bickel Gary, Carlson S., Nord Mark. 1999. "Household Food Security in the United States 1995–1998: Advance Report." USDA Food and Nutrition Service, Alexandria.

[Google Scholar](#)

Boushey Heather, Brocht Chauna, Gundersen Bethney, Bernstein Jared. 2001. "Hardships in America: The Real Story of Working Families." *The State of Working American 2000-01*. Economic Policy Institute, Washington, DC. <https://files.eric.ed.gov/fulltext/ED456966.pdf>.

[Google Scholar](#)

Broussard C. Anne. 2010. "Research Regarding Low-Income Single Mothers' Mental and Physical Health: A Decade in Review." *Journal of Poverty* 14 (4): 443–51.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Center on Budget and Policy Priorities. 2009. "Policy Basics: The Earned Income Tax Credit." Center on Budget and Policy Priorities, February 5. Accessed April 11, 2020. <https://www.cbpp.org/research/federal-tax/policy-basics-the-earned-income-tax-credit>.

[Google Scholar](#)

Clifton Kelly J. 2004. "Mobility Strategies and Food Shopping for Low-Income Families: A Case Study." *Journal of Planning Education and Research* 23 (4): 402–13.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Creswell John W., Clark Vicki L. Plano. 2010. *Designing and Conducting Mixed Methods Research*. 2nd ed. Los Angeles: SAGE.

[Google Scholar](#)

Edin Katharine, Tach Laura, Halpern-Meekin Sarah. 2014. "Tax Code Knowledge and Behavioral Responses Among EITC Recipients: Policy Insights from Qualitative Data." *Journal of Policy Analysis and Management* 33 (2): 413–39.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Edin Kathryn, Lein Laura. 1997. *Making Ends Meet: How Single Mothers Survive Welfare and Low-Wage Work*. New York: Russell Sage Foundation.

[Google Scholar](#)

Greene Sara Sternberg. 2013. "The Broken Safety Net: A Study of Earned Income Tax Credit Recipients and a Proposal for Repair." *New York University Law Review* 88: 515–88.

[Web of Science](#)

[Google Scholar](#)

Grzywacz Joseph G., Almeida David M., Neupert Shevaun D., Ettner Susan L. 2004. "Socioeconomic Status and Health: A Micro-Level Analysis of Exposure and Vulnerability to Daily Stressors." *Journal of Health and Social Behavior* 45 (1): 1–16.

[Crossref](#)

[PubMed](#)

[Web of Science](#)

[Google Scholar](#)

Guzman Tatyana, Pirog Maureen, Seefeldt Kristin. 2013. "Social Policy: What Have We Learned?" *The Policy Studies Journal* 41 (S1): S53–69.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Hacker Jacob S., Huber Gregory A., Nichols Austin, Rehm Philipp, Craig Stuart. 2011. "Economic Insecurity and the Great Recession: Findings from the Economic Security Index." The Rockefeller Foundation. Accessed April 11, 2020. <http://economicsecurityindex.org/assets/ESI%20Full%20Report%202011.pdf>.

[Google Scholar](#)

Halpern-Meehin Sarah, Edin Kathryn, Tach Laura, Sykes Jennifer. 2015. "It's Not Like I'm Poor." Accessed April 11, 2020. <http://www.ucpress.edu/book.php?isbn=9780520275355>.

[Google Scholar](#)

Henly Julia R., Lambert Susan J. 2014. "Unpredictable Work Timing in Retail Jobs: Implications for Employee Work–Life Conflict." *ILR Review* 67 (3): 986–1016.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Holt Stephen D. 2008. "Periodic Payment of the Earned Income Tax Credit." *Brookings (Blog)*, June 5. Accessed April 11, 2020. <https://www.brookings.edu/research/periodic-payment-of-the-earned-income-tax-credit/>.

[Google Scholar](#)

Holt Steve. 2015. "Periodic Payment of the Earned Income Tax Credit Revisited." Metropolitan Policy Program, Brookings Institution. Accessed April 11, 2020. <https://www.brookings.edu/wp-content/uploads/2016/07/HoltPeriodicPaymentEITC121515.pdf>.

[Google Scholar](#)

Hungerford Thomas L., Thiess Rebecca. 2013. "The Earned Income Tax Credit and the Child Tax Credit: History, Purpose, Goals, and Effectiveness." *Economic Policy Institute (Blog)*, September 25. Accessed March 15, 2017. <http://www.epi.org/publication/ib370-earned-income-tax-credit-and-the-child-tax-credit-history-purpose-goals-and-effectiveness/>.

[Google Scholar](#)

Internal Revenue Service. 2016a. "Statistics for Tax Returns with EITC." <https://www.etc.irs.gov/etc-central/statistics-for-tax-returns-with-etc/statistics-for-2016-tax-returns-with-etc>.

[Google Scholar](#)

Internal Revenue Service. 2016b. "Statistics of Income (SOI) Bulletin Historical Table 1." <https://www.irs.gov/statistics/soi-tax-stats-soi-bulletin-historical-tables-and-appendix>.

[Google Scholar](#)

Jacobs David, Myers Lindsey. 2014. "Union Strength, Neoliberalism, and Inequality: Contingent Political Analyses of U.S. Income Differences Since 1950." *American Sociological Review* 79 (4): 752–74.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Jones Damon. 2010. "Information, Preferences, and Public Benefit Participation: Experimental Evidence from the Advance EITC and 401(k) Savings." *American Economic Journal: Applied Economics* 2 (2): 147–63.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Jones Lauren, Michelmore Katherine. 2016. "Timing Is Money: Does Lump-Sum Payment of Tax Credits Induce High-Cost Borrowing?" SSRN Scholarly Paper ID 2712849. Social Science Research Network, Rochester. Accessed April 11, 2020. <https://papers.ssrn.com/abstract=2712849>.

[Google Scholar](#)

Kaushal Neeraj, Gao Qin, Waldfogel Jane. 2007. "Welfare Reform and Family Expenditures: How Are Single Mothers Adapting to the New Welfare and Work Regime?" *Social Service Review* 81 (3): 369–96.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Kramer Karen Z., Cristina Flavia, Andrade Drumond, Greenlee Andrew J., Mendenhall Ruby, Bellisle Dylan, Blanks Renee Lemons. 2019. "Periodic Earned Income Tax Credit (EITC) Payment, Financial Stress and Wellbeing: A Longitudinal Study." *Journal of Family and Economic Issues* 40: 511–23.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Lazarus Richard S. 1966. *Psychological Stress and the Coping Process*. New York: McGraw-Hill.

[Google Scholar](#)

Littwin Angela. 2007. "Beyond Usury: A Study of Credit-Card Use and Preference Among Low-Income Consumers." *Texas Law Review* 86: 451–506.

[Google Scholar](#)

Marr Chuck, Huang Chye-Ching, Sherman Arloc, DeBot Brandon. 2015. "EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children's Development, Research Finds." Center on Budget and Policy Priorities, October 1. Accessed April 11, 2020. <http://www.cbpp.org/research/federal-tax/eitc-and-child-tax-credit-promote-work-reduce-poverty-and-support-childrens>.

[Google Scholar](#)

Mendenhall Ruby, Edin Kathryn, Crowley Susan, Sykes Jennifer, Tach Laura, Kriz Katrin, Kling Jeffrey R. 2012. "The Role of Earned Income Tax Credit in the Budgets of Low-Income Households." *Social Service Review* 86 (3): 367–400.

[Crossref](#)

[Google Scholar](#)

Mendenhall Ruby, Kramer Karen Z., Akresh Ilana R. 2014. "Asset Accumulation and Housing Cost Burden: Pathways to (Not) Saving." *Housing Policy Debate* 24 (2): 387–414.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Mullainathan Sendhil, Shafir Eldar. 2013. *Scarcity: Why Having Too Little Means So Much*. New York: Macmillan.

[Google Scholar](#)

Orthner Dennis, Jones-Sanpei Hinckley, Williamson Sabrina A. 2003. "Family Strength and Income in Households with Children." *Journal of Family Social Work* 7 (2): 5–23.

[Crossref](#)

[Google Scholar](#)

Pearlin Leonard I. 1983. "Role Strains and Personal Stress." In *Psychosocial Stress: Trends in Theory and Research*, edited by Kaplan Howard B., 3–32. New York: Academic Press.

[Crossref](#)

[Google Scholar](#)

Pearlin Leonard I., Bierman Alex. 2013. "Current Issues and Future Directions in Research into the Stress Process." In *Handbook of the Sociology of Mental Health*, edited by Aneshensel Carol S., Phelan Jo C., Bierman Alex, 325–40. Handbooks of Sociology and Social Research. Dordrecht: Springer.

[Crossref](#)

[Google Scholar](#)

Pucher J., Renne J. L. 2004. "Urban-Rural Differences in Mobility and Mode Choice: Evidence from the 2001 NHTS." April. Accessed April 11, 2020. <https://trid.trb.org/view.aspx?id=748081>.

[Google Scholar](#)

Romich Jennifer L., Weisner Thomas. 2000. "How Families View and Use the EITC: Advance Payment Versus Lump Sum Delivery." *National Tax Journal* 53 (4, Pt. 2): 1245–66.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Roy Kevin M., Tubbs Carolyn Y., Burton Linda M. 2004. "Don't Have No Time: Daily Rhythms and the Organization of Time for Low-Income Families." *Family Relations* 53 (2): 168–78.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Shaefer H. Luke, Song Xiaoqing, R. Trina, Shanks Williams. 2013. "Do Single Mothers in the United States Use the Earned Income Tax Credit to Reduce Unsecured Debt?" *Review of Economics of the Household* 11 (4): 659–80.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Shah Anuj K., Mullainathan Sendhil, Shafir Eldar. 2012. "Some Consequences of Having Too Little." *Science* 338 (6107): 682–85.

[Crossref](#)

[PubMed](#)

[Web of Science](#)

[Google Scholar](#)

Shefrin Hersh M., Thaler Richard H. 1988. "The Behavioral Life-Cycle Hypothesis." *Economic Inquiry* 26: 609–43.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Smeeding Timothy M. 2005. "The EITC and USAs/IDAs: Maybe a Marriage Made in Heaven?" In *Inclusion in the American Dream: Assets, Poverty, and Public Policy*, edited by Sherraden Michael, 323–51. Oxford: Oxford Univ. Press.

[Google Scholar](#)

Smeeding Timothy M., Phillips Katherin Ross, O'Connor Michael A. 2000. "The EITC: Expectation, Knowledge, Use, and Economic and Social Mobility." SSRN Scholarly Paper ID 1807997. Social Science Research Network, Rochester. Accessed April 11, 2020. <https://papers.ssrn.com/abstract=1807997>.

[Google Scholar](#)

Spencer James H. 2007. "Neighborhood Economic Development Effects of the Earned Income Tax Credit in Los Angeles: Poor Places and Policies for the Working Poor." *Urban Affairs Review* 42 (6): 851–73.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Strauss Anselm, Corbin Juliet. 1998. *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory*. 2nd ed. Thousand Oaks: SAGE.

[Google Scholar](#)

Sykes Jennifer, Križ Katrin, Edin Kathryn, Halpern-Meehin Sarah. 2015. "Dignity and Dreams: What the Earned Income Tax Credit (EITC) Means to Low-Income Families." *American Sociological Review* 80 (2): 243–67.

[Crossref](#)

[Google Scholar](#)

Tach Laura M., Greene Sara Sternberg. 2014. "'Robbing Peter to Pay Paul': Economic and Cultural Explanations for How Lower-Income Families Manage Debt." *Social Problems* 61 (1): 1–21.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Thomas David R. 2006. "A General Inductive Approach for Analyzing Qualitative Evaluation Data." *American Journal of Evaluation* 27 (2): 237–46.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Turner R. Jay, Avison William R. 2003. "Status Variations in Stress Exposure: Implications for the Interpretation of Research on Race, Socioeconomic Status, and Gender." *Journal of Health and Social Behavior* 44 (4): 488–505.

[Crossref](#)

[PubMed](#)

[Web of Science](#)

[Google Scholar](#)

U.S. Government Accountability Office. 2007. "Advance Earned Income Tax Credit: Low Use and Small Dollars Paid Impede IRS's Efforts to Reduce High Noncompliance." No. GAO-07-1110, August. Accessed April 11, 2020. <https://www.gao.gov/products/GAO-07-1110>.

[Google Scholar](#)

Vallas Rebecca, Boteach Melissa, West Rachel. 2014. "Harnessing the EITC and Other Tax Credits to Promote Financial Stability and Economic Mobility." Accessed April 11, 2020. <https://www.americanprogress.org/issue/s/poverty/reports/2014/10/07/98452/harnessing-the-eitc-and-other-tax-credits-to-promote-financial-stability-and-economic-mobility/>.

[Google Scholar](#)

Wilson George, Mossakowski Krysia. 2009. "FEAR OF JOB LOSS: Racial/Ethnic Differences in Privileged Occupations." *Du Bois Review: Social Science Research on Race* 6 (2): 357–74.

[Crossref](#)

[Google Scholar](#)

Zelizer Viviana A. 1989. "The Social Meaning of Money: 'Special Monies'." *American Journal of Sociology* 95 (2): 342–77.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Zelizer Viviana A. 1996. "Payments and Social Ties." *Sociological Forum* 11: 481–95.

[Crossref](#)

[Web of Science](#)

[Google Scholar](#)

Zelizer Viviana A. 1997. *The Social Meaning of Money: Pin Money, Paychecks, Poor Relief, and Other Currencies*. Princeton: Princeton University Press.

[Google Scholar](#)

Biographies

Andrew Greenlee is an associate professor in the Department of Urban and Regional Planning at University of Illinois at Urbana–Champaign.

Karen Kramer is an assistant professor in the Department of Human and Community Development at University of Illinois at Urbana–Champaign.

Flavia Andrade is an associate professor in the School of Social Work at University of Illinois at Urbana–Champaign.

Dylan Bellisle is a doctoral candidate in the School of Social Service Administration at University of Chicago.

Renee Blanks is a Chicago Public School Teacher. She has a master’s degree in education from Florida A&M University.

Ruby Mendenhall is an associate professor in the Departments of Sociology, African American Studies, Urban and Regional Planning, and Social Work, and assistant dean for Diversity and Democratization of Health and Innovation at the Carle Illinois College of Medicine at University of Illinois at Urbana–Champaign.

Similar articles:



Restricted access

[Dignity and Dreams: What the Earned Income Tax Credit \(EITC\) Means to Low-Income Families](#)

Show Details



Free access

[A Hand Up for Low-Income Families](#)

Show Details



Restricted access

[The Earned Income Tax Credit](#)

Show Details ▼

[View More](#)

Sage recommends:

SAGE Knowledge

Entry

[Earned Income Tax Credit \(EITC\)](#)

Show Details ▼

CQ Researcher

Report

[Universal Basic Income](#)

Show Details ▼

CQR

Report

[Universal Basic Income](#)

Show Details ▼

[View More](#)

You currently have no access to this content. Visit the [access options](#) page to authenticate.

[View full text](#) | [Download PDF](#)

Also from Sage



CQ Library

Elevating debate

Sage Data

Uncovering insight

Sage Business Cases

Shaping futures

Sage Campus

Unleashing potential

Sage Knowledge

Multimedia learning resources

Sage Research Methods

Supercharging research

Sage Video

Streaming knowledge

Technology from Sage

Library digital services