News from the
Fiscal Policy Institute

For immediate release

Contacts
Fiscal Policy Institute
David Dyssegaard Kallick
Director of FPI’s Immigration Research Initiative
212-721-7164 (o) 646-284-1240 (c)
ddkallick@fiscalpolicy.org

Institute on Taxation and Economic Policy
Jenice R. Robinson
Communications Director
202-299-1066, ext. 29
jenice@itep.org

New report
50-State Report: www.itep.org

Immigrant Youth Add $140 Million to New York Tax Revenues
DACA Boosts Wages and Tax Contributions

At a time when the Trump Administration seems to be having a difficult time getting its message straight about deporting immigrants who arrived without authorization in the United States as children, a new study shows that these young immigrants currently contribute $140 million to state and local taxes in New York.

The report, conducted by the Institute on Taxation and Economic Policy and co-released in New York by the Fiscal Policy Institute, focuses on the executive order known as Deferred Action for Childhood Arrivals, or DACA. The executive order first went into effect in 2012, and in New York State, of the estimated 820,000 undocumented immigrants, about 76,000 are eligible for DACA. Nationwide, 1.3 million of the country’s estimated 11 million undocumented immigrants are eligible, and current DACA recipients contribute $2 billion in combined state and local taxes around the country, the study found.

“Within the last year, immigration policy has become a far more divisive political issue with public discourse often overlooking the tremendous economic, fiscal and societal contributions of immigrants, and in particular young immigrants,” said Meg Wiehe, deputy director of ITEP. “We produced this report and our larger report on undocumented immigrants’ tax contributions to help ensure the debate is more fact-driven.”

“New Yorkers can proud of these young immigrants who are graduating from our high schools, going to college, serving in the military, paying taxes,” said David Dyssegaard Kallick, director of the Fiscal Policy Institute’s Immigration Research Initiative. “The idea of terrifying these
young people and their families by making them a deportation priority sends all the wrong messages to our kids, to their teachers, to immigrants, and to employers. The federal immigration system is broken, and this program is an interim measure to protect young immigrants who make a real contribution to our society.”

The Trump Administration seems to be unsure of its course regarding DACA. During the presidential campaign, Donald Trump riled up audiences by saying “We will immediately terminate President Obama’s two illegal executive amnesties.” Attorney General Jeff Sessions seemed in line with that message last week when he said that people who came to the United States as children were “subject to being deported.” And it seems that DACA recipients are indeed being detained and deported, as is the subject of a recently filed law suit. Yet on Friday President Trump said DACA recipients can “rest easy,” and that they would not be targets for deportation. John Kelly, speaking for the Department of Homeland Security, reinforced that message on Sunday, saying “My organization has not targeted these so-called Dreamers.”

This report comes on the heels of a study of the overall economic and tax contributions of undocumented immigrants in New York State. That report found that the economic output of undocumented immigrants represents $40 billion, or three percent, of the total New York State economy, and that undocumented immigrants pay a total of $1.1 billion in state and local taxes.

Read State and Local Tax Contributions of Young, Undocumented Immigrants

The Fiscal Policy Institute (www.fiscalpolicy.org) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. FPI’s Immigration Research Initiative looks at immigration issues in New York State, and around the country.

The Institute on Taxation and Economic Policy (www.itep.org) is a non-profit, non-partisan research organization that works on federal, state, and local tax policy issues. ITEP’s mission is to ensure that elected officials, the media, and the general public have access to accurate, timely, and straightforward information that allows them to understand the effects of current and proposed tax policies. ITEP’s work focuses particularly on issues of tax fairness and sustainability.