

Do Immigrants Pay Their Fair Share of Taxes?

There is a popular misconception that immigrants do not pay their fair share of taxes. Some believe that immigrants do not pay taxes at all, and some believe that immigrants use many more social services than they pay for in taxes.

Adult immigrants studying English at the Immigrant Learning Center, Inc. (ILC) here in Malden, Massachusetts, decided that they needed to conduct a survey to find the realities among ILC students. They asked students with jobs to name their current jobs and bring in their pay stubs to show how much they pay per week in income taxes toward Medicare, Social Security, Federal and State taxes.

Many ILC students had held professional level jobs in their native countries. These professions ranged from professors, engineers, dentists, teachers and programmers. Others had held skilled occupations such as welder, carpenter, mechanic, hairdresser, and tailors as well as office and factory worker. They came to America to be with families and to seek a better life for themselves and their children. Some came to flee political persecution and find safety from war and violence.

However, until their English language skills improve, most have to take jobs that are not equal to their education and professional levels. Current jobs include fast food worker, cashier, home health care assistant, newspaper delivery person and gas attendant. Nevertheless, they are paying significant taxes! They work from 4 to 71 hours per week. Their hourly pay rate ranges from \$6.75 to \$17 per hour. The average rate is \$10.04. Their tax contributions are as follows:

Federal	Total contributions are \$1,406 per week and \$73,112 per year
Social Security	Total contributions are \$1,373 per week and \$71,396 per year
Massachusetts	Total contributions are \$ 906 per week and \$47,112 per year
Medicare	Total contributions are \$ 346 per week and \$17,992 per year

So, just in one small, community-based organization that averages 400 immigrant students at any given time, adult immigrants are paying taxes amounting to \$4,031 per week and \$209,609 per year!

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Myth: Immigrants don't pay taxes.

Fact: All immigrants pay taxes, whether income, property, sales, or other. As far as income tax payments go, sources vary in their accounts, but a range of studies find that immigrants pay between \$90 and \$140 billion a year in federal, state, and local taxes. Even undocumented immigrants pay income taxes, as evidenced by the Social Security Administration's "suspense file" (taxes that cannot be matched to workers' names and social security numbers), which grew \$20 billion between 1990 and 1998.

Sources: National Academy of Sciences, Cato Institute, Urban Institute, Social Security Administration

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