### ACTION SHEET (Word version)

## **Congress must extend the Child Tax Credit**

In 2021, Congress enacted historic legislation that cut child poverty by 40 percent. Congress expanded the Child Tax Credit (CTC) by increasing the credit amount for low- and moderate-income families and distributing it as monthly payments for the second half of the year. Importantly, for the first time the CTC was fully refundable so that families with no- or low-incomes got the full value of the CTC. But the changes only last one year. Since then, families are again struggling to make ends meet.

We must build broad support in Congress to **permanently reduce child poverty through the expanded CTC**.

Action is needed now. American families are struggling with higher costs for food, rent, and other basic necessities. Moody's Analytics says the average household is spending an <u>extra</u> <u>\$327 per month</u> due to inflation. The CTC could again be a lifeline, as it was in 2021. Food insecurity and other material hardship dropped after the CTC payments started last July (see data from the <u>Census</u>, <u>Columbia University</u>, and JAMA). But since the payments stopped, hardship has returned. The monthly child poverty rate <u>increased 41 percent from</u> <u>December 2021 to January 2022</u>. Now, with inflation driving up the cost of food, gas, and housing, the situation is getting worse.

But this is not just the result of the present moment. Before the pandemic, in 2019:

- <u>35 million Americans needed nutrition assistance</u> to put food on the table each month.
- A worker earning the federal minimum wage <u>could not afford a modest one-</u> <u>bedroom apartment</u> anywhere in the U.S.
- <u>12.5 percent of American children</u> were living in poverty.

2021 showed that investing a modest amount in children and families (\$250-\$300 per child each month) makes a huge difference. <u>Families caught a break and even thrived</u>. Not only could they pay the bills, they ate healthier, invested in education, and avoided payday loans.

Prioritizing child well-being and financial stability is not a partisan issue. It is a moral one. Our country is only as strong as our commitment to helping each other. In 2021, we saw what doing the right thing could look like. Children out of poverty, families financially stable, and hope on the rise. The expanded CTC showed us that when we invest in children and families, good things happen.

# **ACTION SHEET**

#### **Tell members of Congress to act now**

Use the talking points below to write letters to your senators and representatives. Urge them to include a CTC extension in legislation this year. Also, continue to urge others to write letters as well. Use our <u>Action Workshop Agenda</u> (Word version) to host a letter-writing meeting. Plan to deliver all your letters in upcoming lobby meetings in May and June. If you have questions, please contact Jos Linn.

#### Child Tax Credit letter talking points

- 1. Start your letter with "Dear Sen. \_\_\_\_\_" or "Dear Rep. \_\_\_\_\_".
- 2. Introduce yourself with your name, home city, and that you are a RESULTS volunteer.
- 3. Tell them that Congress made history by dramatically reducing child poverty in 2021, and that you want them to do so again.
- 4. Tell them that in 2021, the expanded Child Tax Credit and monthly payments provided much needed relief to all low-income families.
- 5. Remind them that higher costs for food, rent, and gas are straining family budgets. *If comfortable, share a personal story on how higher costs are impacting you/your family.*
- 6. Explain that parents spent their CTC payments on their families. As a result, CTC recipient families avoided eviction, ate healthier, invested more in their children's education, and relied less on predatory payday loans (Brookings). *If you received CTC payments, share how the CTC payments helped your family.*
- 7. Also tell them that because the 2021 CTC went to all low-income families, even ones with little or no income, child poverty dropped by 40 percent.
- 8. Urge them to tell House or Senate leadership to extend the Child Tax Credit with permanent full refundability and the monthly payments in any economic legislation this year.
- 9. Thank them and tell them you look forward to a prompt response to your request.
- 10. Sign your name with your contact information.