U.S. Poverty Policy Request

Strengthen families and reduce poverty by expanding the Child Tax Credit

Urge colleagues and leadership to expand the Child Tax Credit (CTC) with monthly payments and full refundability for all low-income families

The Child Tax Credit provides cash assistance directly to families, allowing them to decide how to navigate the ups and downs of the economy. It should be a priority in upcoming legislation to provide the support low-income Americans need. In 2021, the expanded CTC helped families obtain and maintain employment by supporting child care and transportation costs. It can also support a parent's decision to focus on caregiving. Census Bureau data proved that expanding the CTC dramatically reduces child poverty. Overall, from 2020 to 2021 child poverty fell by 46 percent—primarily because of the CTC.

Unfortunately, Congress could not come to a bipartisan agreement to continue the expansion of this highly successful program. Now, 19 million kids are no longer eligible for benefits because their caregivers do not earn enough to receive the full CTC. This includes more than one in four children, and disproportionately affects marginalized communities. Approximately 45 percent of Black children, 39 percent of Latino children, 38 percent of American Indian/Alaskan Native children, and 27 percent of kids living in rural areas are no longer eligible. In addition, many grandparents, people with disabilities, students, and 680,000 veterans are not eligible because their income is too low.

As Congress looks to fix provisions in the 2017 Tax Cuts and Jobs Act and enact other key tax provisions this year, it is vital that Congress pass policies for low-income families. RESULTS urges you to enact an extension of an expanded CTC to strengthen families and fight child poverty. It's critical that you prioritize the needs of families with the lowest or no incomes in any tax package this year, and communicate that this is a top priority with leadership and colleagues on the Senate Finance Committee/House Ways and Means Committee.