

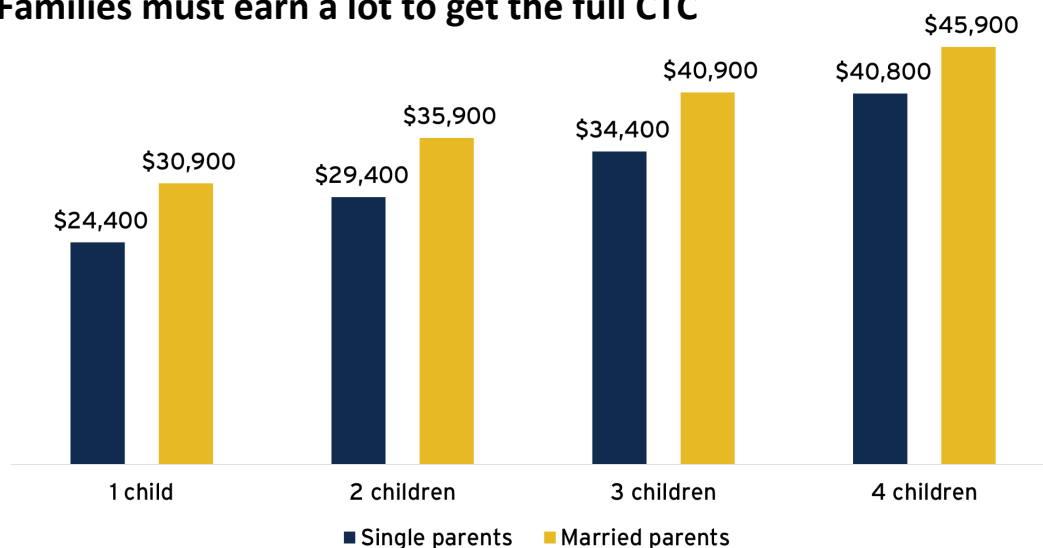
# U.S. Poverty Policy Explainer

## How much do you need to earn to receive the full Child Tax Credit benefit?

The Child Tax Credit (CTC) is a tax credit designed to help parents with low- and middle-incomes with the costs of raising children. **Tax filers with [eligible kids](#) can qualify for up to \$2,000 per child under the CTC, and if the filer does not owe taxes to the government, then up to \$1,500 can be returned as part of their annual tax refund — but the key phrase here is “up to.”** Not every child qualifies for the full CTC benefit, and it’s the folks who need it most who miss out on the full credit.

Eligibility based on income starts at \$2,500 per year. This means that filers making between \$0-\$2,500 receive no CTC benefit whatsoever. After a filer makes \$2,500, the more income they earn, the more credit they are eligible for. **The graph below shows the income necessary to receive 100 percent of the CTC based on family size and type.**

**Chart: Families must earn a lot to get the full CTC**



Note: Children with parents or guardians earning less than \$2,500 are ineligible for the federal Child Tax Credit.  
Source: Institute on Taxation and Economic Policy, Columbia Center on Poverty and Social Policy, 2022



What this means in practice, is that a single mother with two children, working part-time in a nursing home and [making \\$15,000 per year, only receives \\$1,875 credit, while married couples with two children making \\$400,000 per year would receive a \\$4,000 credit.](#)

When structured properly, the CTC is a powerful way to bring equity to our tax code and fight child poverty. When it isn't, it leaves millions behind and creates more inequity in our tax code and society. **This is why your advocacy on the CTC is so important.**