



COALITION ON HUMAN NEEDS

1825 K Street, NW · Suite 411 · Washington, DC 20006 · 202.223.2532 · Fax 202.223.2538 · www.chn.org

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Coalition on Human Needs: The Senate Should Join the House to Improve the Child Tax Credit

Statement by Deborah Weinstein, CHN's Executive Director:

With the House passage of the Tax Relief for American Families and Workers Act, Congress is one important step closer to making needed improvements in the Child Tax Credit that will benefit 16 million children in families with low incomes and lift 400,000 children out of poverty this year. Now the Senate must act expeditiously to pass the bill, with no amendments that would reduce the Child Tax Credit's help to children.

Members of the Coalition on Human Needs are painfully aware that these improvements do not go far enough. The nation saw the historic reduction in child poverty that occurred in 2021 when the Child Tax Credit was increased and made fully available to the poorest families – child poverty was cut nearly in half. It was a bitter disappointment that the expanded CTC was allowed to expire, resulting in 5 million children being plunged into poverty.

The Tax Relief for American Families and Workers Act does not repair all the damage. But it will reduce hardship for millions of children and their families. It is well targeted to assist families with low incomes. Because their parents disproportionately work at low wages, more than one in three Black and Latino children and three in ten American Indian/Alaska Native children under 17 will benefit from this bill. So will approximately one in seven white and Asian children under 17. Gradually expanded benefits will allow 500,000 children to be lifted out of poverty in 2025.

We know that families receiving this benefit will spend it to meet their basic needs. The 2021 expansion was [spent](#) mainly on food, housing, and other child-related expenses, expenditures that improve children's lives and benefit the stores and economy in communities nationwide. The real world evidence from the 2021 expansion showed [no reduction in work effort](#).

Our children, families, and communities need the investment that an expanded Child Tax Credit supplies. We are grateful that the House has acted, and look to the Senate to take quick action so families may receive these benefits for the 2023 tax year.

The Coalition on Human Needs pledges to continue its work to further expand the Child Tax Credit, so that millions of children can leave poverty behind. The Child Tax Credit improvements in the Tax Relief for American Families and Workers Act are steps we must take now, but our future depends on making more progress for children and their families.

The Coalition on Human Needs (CHN) is an alliance of national organizations working together to promote public policies which address the needs of people with low incomes and other vulnerable

populations. CHN's members include civil rights, religious, labor, and professional organizations, and service providers.