

December 8, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC. 20515

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, DC. 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC. 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Leader Schumer, and Minority Leader McConnell:

We, the 283 undersigned organizations, call on you to take action to enhance the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC), and prioritize tax credits supporting our children, youth, and families over tax breaks for large corporations as you lead negotiations on tax policy provisions during the closing weeks of the 117th Congress.

It is hard to overstate the impact of the CTC and EITC improvements — they were transformational to the lives of tens of millions of children, providing resources to help them build a sturdy foundation to learn, grow, and thrive. [Improvements to the CTC alone were largely responsible for nearly cutting our national child poverty rate in half in 2021](#), lifting 3 million children — including 1 million children under 6 — above the poverty line. The enhanced monthly tax credits [helped households with children catch up on rent](#) and translated to more food on the table for children and warm clothes in the winter. It meant more money for educational resources, music or soccer lessons, or a trip to the zoo.

It also meant more money for child care, gas, and car repairs that helped parents get to work. Parents and caregivers [reported that it gave them some breathing room](#), providing some relief from the constant fear and distraction of how to make ends meet and affording them more time and energy to spend with their children.

With the expiration of these unprecedented tax investments, every aspect of children's lives is harmed: roughly [4 million children were plunged back into poverty in January 2022](#) and [food insufficiency rates among households with children increased 25%](#). We must do better by our children.

Tax Credit Investments Were Transformational for Millions of Children

[Extensive research shows](#) that tax credits and cash transfers foster the development of positive parent-child interactions, improve child development outcomes, and have a bigger impact than any other policy in reducing child poverty.

The CTC is a powerful tool contributing significantly to the largest decrease in the child poverty rate on record — [declining from 9.7% in 2020 to 5.2% in 2021](#)-- [dramatically reducing food](#)

[insufficiency](#), and decreasing material hardship for tens of millions of households. Families receiving the monthly CTC payments [overwhelming spent the cash benefit on basic necessities including food, utilities, housing, education resources, diapers, and paying down debt](#). Furthermore, several studies show there is [no difference in the change in employment for households receiving the CTC and those who did not](#). In fact, the Child Tax Credit helped families, especially single mothers, [increase their labor force participation](#) by allowing them to afford child care, transportation, and other necessities that help them get to work. Similarly, the EITC helped young people pay for transportation to and from job training, school or community-based support.

Furthermore, [research out of the University of Washington](#) suggests that the collective impact of tax credits for families led to a reduction in child maltreatment reports by helping to stabilize families. In light of this data, this University of Washington study suggests that child neglect reports decrease when parents have more economic resources. Decreasing these reports is an important outcome that could generate multiple other positive outcomes for children and their families.

Tax Credit Investments Make Smart Economic Sense for Families and Our Society

Analysts from [Poverty Solutions at the University of Michigan found](#) that federal pandemic assistance helped close the persistent gap in material hardship for U.S. families with children and that the advances remained even in the face of rising inflation. [Over 130 economists called for the reinstatement of the Child Tax Credit payments](#) as one of the most efficient and direct approaches to help offset inflationary pressures and concurred that the CTC would not increase inflation.

Enhancing the CTC also makes good economic sense for our greater society as child poverty is estimated by the National Academy of Sciences to cost the U.S. nearly \$1 trillion annually, and researchers from Columbia University find that investment in a child allowance program will pay massive dividends – [estimating an 8:1 return on investment](#). It also strengthens local economies — the Niskanen Center found that extending the Child Tax Credit for even just a year [would support the equivalent of 500,000 private-sector jobs](#). Finally, it [lowers our child poverty rate to closer of that of other wealthy countries](#), increasing our competitiveness around the world.

Enhanced CTC and EITC Reaches Many of the Kids and Families with the Biggest Barriers to Economic Security

The American Rescue Plan Act (ARPA) enhancements to the CTC and EITC benefitted many children, youth, and families most in need. The CTC improvements increased the benefit to as much as \$3,600 a year per young child and \$3,000 a year for children six and older (including 17-year-olds), provided advanced monthly payments of the CTC starting in July 2021, and made the credit fully refundable. The EITC expansion nearly tripled the amount of the credit for low-income workers and broadened the eligibility age from 25 to 18 for foster youth and youth experiencing homelessness. The enhanced CTC [likely reached nearly 40 million households with](#)

[over 65 million children, and the EITC improvements have the potential to benefit over 17 million workers](#), including an estimated 380,000 to 500,000 former foster youth. By making the full CTC available for the first time to families with little or no income, [it reached the one-third of our children](#) who had been left behind, disproportionately benefiting households of color. [Recent analysis from Columbia’s Center on Poverty and Social Policy](#) finds that children who were disproportionately ineligible for the CTC prior to the ARPA enhancements -- Black and Hispanic children, children in single-parent families, rural families, children in larger families, and families with young children— all experienced large declines in child poverty in 2021.

Unfortunately, while great progress was made, additional steps could have been taken to create a more equitable tax code to benefit all children. For example, even though the poverty gap for Black and Hispanic children compared to white children narrowed in 2021, a sizeable gap remains. Children in immigrant families continue to experience higher rates of poverty than their nonimmigrant peers because they oftentimes remain ineligible for assistance – an estimated one million immigrant children with Individual Taxpayer Identification Numbers (ITINs) remain excluded from receiving the Child Tax Credit, unfairly denying them critical support. Families in Puerto Rico did not have access to the advanced monthly payments, and under current law families with children in Puerto Rico accrue the refundable portion of the Child Tax Credit at a slower rate than families in the states.

Congress Must Prioritize Children

The expiration of the CTC and EITC improvements, combined with high food costs and rising rents, sent many families with children back to experiencing significant material hardship, increasing child hunger and suffering.

In a May 2022 poll by Lake Research, [voters expressed support for extending the improved CTC by a wide 72-21% margin](#). American voters also expressed overwhelming concern (86% concerned to 12% not concerned) with data indicating that “child poverty costs our society up to \$1.1 trillion a year due to higher crime, poor health outcomes, and lower income levels with children living in poverty grow up.”

We strongly urge you to enhance the CTC and EITC in any end-of-the-year tax policy decisions and prioritize children and youth in households who face the biggest barriers to economic security, for every child deserves the resources they need to thrive. Congress faces a pivotal moment of opportunity to address the best interests of our nation’s children.

We urge you to act without delay.

Sincerely,

The Undersigned Organizations

National Organizations

First Focus Campaign for Children
20/20 Vision DC
African American Health Alliance
All Our Kin
American Association for Community
Dental Programs
American Federation of Teachers
Armstrong Coaching
Association of State Public Health
Nutritionists
Birth Defects Research & Education
Foundation
Bread for the World
Caring Across Generations
Center for Economic and Policy Research
Center for Law and Social Policy (CLASP)
Center for the Study of Social Policy
Child Care Aware® of America
Child Welfare League of America
Children's Advocacy Institute
Children's Defense Fund
Children's HealthWatch
Children's Rights
Children's Trust Fund Alliance
Church World Service
Circle of Parents, Inc.
Clinical Social Work Association
Coalition for Juvenile Justice
Coalition on Human Needs
Comic Relief US
Community Change Action
Congregation of Our Lady of Charity of the
Good Shepherd, U.S. Provinces
Congressional Research Institute for Social
Work and Policy
Elite Campaigns
Family Centered Treatment Foundation
Food Research & Action Center
FoodCorps
Friends Committee on National Legislation
Futures Without Violence
Generations United
Global Policy Solutions
Healthy Teen Network
HEAR US Inc.
High Flight Arts and Letters
iFoster
Income Movement
Institute for Child Success
Institute for Human Services
JustUs in Family Court
Juvenile Law Center
Kids in Need of Defense (KIND)
Leading for Kids
Lupus and Allied Diseases Association, Inc.
Main Street Alliance
MAZON: A Jewish Response to Hunger
MENTOR
MomsRising
National Advocacy Center of the Sisters of
the Good Shepherd
National Association of Counsel for
Children
National Association of County Human
Services Administrators
National Association of School Nurses
National Association of Social Workers
National Center for Youth Law
National Center on Adoption and
Permanency
National Child Care Association
National Children's Campaign
National Coalition Against Domestic
Violence
National Community Action Partnership
National Council of Jewish Women
National Crittenton
National Education Association
National Family Support Network
National Foster Youth Institute
National Health Care for the Homeless
Council
National Immigration Law Center
National Network for Youth, Inc.
National Network to End Domestic
Violence
National Organization for Women

National Prevention Science Coalition to Improve Lives
National Resource Center on Domestic Violence
National WIC Association
Network Lobby for Catholic Social Justice
ParentsTogether Action
Poverty Project of the Institute for Policy Studies
Prevent Blindness
Prevention Institute
Prosperity Now
Provincial Council Clerics of St. Viator
Public Advocacy for Kids (PAK)
RESULTS
Rural School and Community Trust
Save the Children
School-Based Health Alliance
SDMC LLC
Share Our Strength

Shriver Center on Poverty Law
Sisters of Charity of Nazareth
Congregational Leadership
SocioEnergetics Foundation
Stand for Children
Strategies for Youth
The Arc of the United States
The Education Trust
The National Child Care Association
The Praxis Project
Together for Girls
UndocuBlack Network
UnidosUS
Universal Income Project
Voices for Progress
Young Center for Immigrant Children's Rights
Youth Law Center
Youth Villages
ZERO TO THREE

State / Local Organizations

Alabama

The Alabama Chapter of the American Academy of Pediatrics

Arizona

Child & Family Resources, Inc

Arkansas

Arkansas Advocates for Children and Families
Open Arms Pregnancy Center

California

Alliance for Children's Rights
Allies for Every Child
Bill Wilson Center
Buen Vecino
C5 Children's School
California Alliance of Caregivers
California Alliance of Child and Family Services

California (con't)

California Child Care Resource And Referral Network
California Rural Legal Assistance Foundation (CRLA Foundation)
Children Now
Community Bridges
Community Child Care Council (4Cs) of Alameda County
Community Health Councils
County Welfare Directors Association
Epilepsy California
First 5 California
Girls Club of Los Angeles
GRACE/End Child Poverty California
John Burton Advocates for Youth
Latino Coalition for a Healthy California (LCHC)
Los Angeles Regional Food Bank
Mixteco/Indígena Community Organizing Project
Public Counsel

California (con't)

San Diego for Every Child
Sycamores
the California Family Resource Association
the Child Abuse Prevention Center
The Children's Partnership

Colorado

Adams County Health Department
CLLARO
Colorado Academy of Family Physicians
Colorado Children's Campaign
Colorado Cross-Disability Coalition
Hunger Free Colorado
Illuminate Colorado
Invest in Kids
Parent Possible
The Consortium
Tri-County Health Dept

Connecticut

Mayflower Montessori School
SimplifyCT
The Connecticut Association for Human
Services

Delaware

Prevent Child Abuse Delaware

District of Columbia

Mother's Outreach Network
Rebuilding Independence My Style
RESULTS DC/MD
The Vanner Street Group

Florida

American Children's Campaign
Florida Policy Institute
Floridians For Dental Access
Joyful Noise Learning Center
RESULTS Tampa Bay
The Center of Achievement, Inc.

Georgia

Generations Together Inc
Prevent Blindness Georgia

Hawaii

Hawaii Children's Action Network Speaks!
Maui Economic Opportunity, Inc.

Illinois

Chicago Foundation for Women
Children's Home & Aid
Health & Medicine Policy Research Group
Illinois Action for Children
Illinois Collaboration on Youth
Illinois Society for the Prevention of
Blindness
Prevent Child Abuse Illinois

Indiana

MCCOY (Marion County Commission on
Youth)

Iowa

Within Reach Consulting

Kansas

Culture Creations Inc
Success By 6 Coalition

Kentucky

Kentucky Youth Advocates
Sisters of Charity of Nazareth Western
Province Leadership

Maine

Maine Association for the Education of
Young Children
Maine Chapter, American Academy of
Pediatrics
Maine Children's Alliance
Opportunity Enterprises Inc.

Maryland

Addiction Connections Resource
Benedictine Sisters of Baltimore
Maryland National Organization for Women
The Karabelle Pizzigati Initiative at the
University of Maryland

Massachusetts

CAN-DO (Citizens for Affordable Housing
in Newton Development Organization, Inc.)
Greater Boston Legal Services
Massachusetts Immigrant and Refugee
Advocacy Coalition
MassKids
RESULTS-Massachusetts
Strategies for Children

Michigan

Congress of Communities
Detroit Champions For Hope
Insight Youth and Family Connections
MCHS Family of Services
Michigan's Children

Minnesota

MNAEYC
West Central Initiative

Missouri

A Red Circle
HappyBottoms
St. Cronan Church

Nebraska

Nebraska Appleseed
Voices for Children in Nebraska

Nevada

Children's Advocacy Alliance

New Jersey

Advocates for Children of New Jersey
Family Voices NJ
SPAN Parent Advocacy Network

New Mexico

New Mexico Pediatric Society
Ralph Dowden, Attorney at Law

New York

Center for Independence of the Disabled,
NY
Children's Aid
Citizens' Committee for Children of New
York
Labor-Religion Coalition of NYS
Metro New York Health Care for All
Mobilization for Justice, Inc.
New York Immigration Coalition
People's Equal Action and Community
Effort, Inc.
Saratoga Immigration Coalition
Schuyler Center for Analysis & Advocacy
Sisters of St. Dominic of Blauvelt, New
York
The Children's Agenda
United Way of Buffalo & Erie County

North Carolina

Goldsboro Pediatrics
Pisgah Legal Services
Prevent Child Abuse North Carolina

Ohio

Action for Children
Non Profit Evolution
RESULTS Central Ohio
SEM FOOD PANTRY

Oklahoma

Oklahoma Institute for Child Advocacy

Oregon

Oregon Food Bank
Our Children Oregon
TFP Therapeutic Services, Inc.

Pennsylvania

ACLAMO
Bucks County Women's Advocacy Coalition
GRANDS AS PARENTS INC
Maternal and Child Health Consortium,
Director Program Evaluation
Pennsylvania Council of Churches
Pennsylvania Partnerships for Children
Philabundance
Philadelphia Department of Public Health
United Way of Greater Philadelphia and
Southern New Jersey
West Chester Food Cupboard
Women's Law Project

Puerto Rico

Instituto del Desarrollo de la Juventud

Rhode Island

Rhode Island KIDS COUNT
Washington County Coalition for Children

South Carolina

HALOS - Helping And Lending Outreach
and Support
South Carolina Appleseed Legal Justice
Center

Tennessee

RESULTS Tennessee
Town of Tracy City

Texas

Every Texan
RESULTS Austin Global
RESULTS Dallas Global
Results Houston
Texas Kids Can't Wait
Texas Parent to Parent
United Way of Metropolitan Dallas
United Ways of Texas

Utah

Children's Service Society of Utah
Early Childhood Alliance
UTAAP

Vermont

Voices for Vermont's Children

Virginia

Campaign for a Family Friendly Economy
Families Forward Virginia
Social Action Linking Together (SALT)
Voices for Virginia's Children

Washington

Partners for Our Children
Seattle/King County Coalition on
Homelessness
United Way of King County
Washington State Association of Head Start
and ECEAP

West Virginia

TEAM for West Virginia Children
West Virginians for Affordable Health Care

Wisconsin

Havenstead
Wisconsin Association of Local Health
Departments and Boards
Wisconsin Public Health Association