

October 15, 2024

The Honorable Jason Smith
Chairman, U.S. House Committee on Ways &
Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Mike Kelly
Chairman, U.S. House Committee on Ways &
Means Subcommittee on Tax
U.S. House of Representatives
Washington, DC 20515

Dear House Ways and Means Committee Republican 2025 Tax Teams,

On behalf of the undersigned gender-based violence advocacy organizations, we write to urge you to prioritize the needs of survivors of domestic violence, sexual assault, dating violence and stalking as you consider the future of tax policy. The 2025 tax debate offers a unique opportunity to craft a fairer, more equitable tax code that supports survivors and their families, ensuring that resources are directed where they are most needed, not only benefiting survivors, but their families and their communities.

The Tax Cuts and Jobs Act (TCJA) of 2017 unfortunately primarily benefited higher-income individuals and corporations. These tax changes failed to stimulate economic growth, and also reduced federal revenue, limiting the resources available for public programs and services that support women, survivors, people of color, and low- to moderate-income families. As the temporary provisions of the TCJA are set to expire in 2025, lawmakers have a valuable opportunity to reevaluate the tax code and explore reforms that ensure the needs of survivors of violence are better met, through strengthened public programs that promote safety, security, and healing.

Investing in Survivors' Economic Security

Economic security is a cornerstone of safety and independence for survivors of domestic violence and sexual assault. Millions of individuals experience severe intimate partner violence each year, which often involves financial abuse, limiting access to money, credit, or employment.¹ Yet, the lack of robust investments in childcare, paid leave, housing, health care, and other essential services disproportionately harms survivors, particularly women of color, LGBTQ+ individuals, and low-income families. By allowing tax cuts for individuals earning over \$400,000 to expire and enacting other tax changes so the wealthiest and large corporations pay their fair share in taxes, Congress can raise revenue to support long-overdue investments in these critical areas, enabling survivors to rebuild their lives free from violence.

Survivors often face significant economic challenges because of abuse, including job loss, housing instability, and medical expenses. Without sufficient public funding for supportive services, many survivors are forced to choose between safety and financial security. For instance, childcare costs in the U.S. are staggering, with average annual costs exceeding \$11,000 per child², making it nearly impossible for survivors to maintain employment while managing care responsibilities. In addition, most survivors do not have access to paid family and medical leave, forcing them to forgo income or risk job loss when recovering from trauma or caring for children.

We urge you to use the 2025 tax debate to prioritize survivors' access to economic security by raising additional revenues that can be invested in expanded childcare, comprehensive paid leave, housing assistance, and health care. Making these investments now would not only provide relief to survivors but also strengthen our economy by supporting individuals and families in crisis.

Expanding Tax Credits for Low-Income Survivors

Tax credits such as the Child Tax Credit (CTC), the Earned Income Tax Credit (EITC), and the Child and Dependent Care Tax Credit (CDCTC) are vital lifelines for low-income survivors of violence. The temporary expansions of these credits in 2021 through the American Rescue Plan Act (ARPA) provided critical relief to millions of families, reducing poverty and

¹ Center for Disease Control, National Intimate Partner and Sexual Violence Survey, *available at* <https://www.cdc.gov/nisvs>

² Child Aware, Annual Price of Care, *available at* <https://www.childcareaware.org/thechildcarestandstill/#PriceofCare>

enabling survivors to cover basic living expenses. Restoring and expanding these tax credits in 2025 is essential to ensure that survivors, especially those in low-income households, have the financial support they need to stabilize their lives.

The 2021 expansion of the Child Tax Credit lifted nearly 3 million children out of poverty, many of whom live in families that have experienced domestic or sexual violence. More than half of women experiencing intimate partner violence also experience financial abuse, which severely limits their ability to leave abusive relationships and provide for their children. Children in households impacted by domestic violence are particularly vulnerable to the long-term effects of poverty. However, with the expiration of the ARPA expansion, the child poverty rate surged³, leaving nearly 10 million children in poverty⁴, many of them in households affected by domestic or sexual violence.

The expanded EITC in 2021 provided critical financial relief to millions of low-wage workers, many of whom are survivors of domestic violence. This expansion allowed younger workers, older workers, and workers without dependent children - groups that are often overrepresented in low-wage industries such as caregiving, retail, and food service—to access additional income support. Ensuring that the EITC is accessible to all low-income workers, including immigrant families, would offer much-needed stability to survivors who are struggling to regain financial independence. By permanently expanding the EITC, Congress would help survivors meet their basic needs, maintain employment, and build a more secure future for themselves and their families.

Ensuring Access to Affordable Health Care

Access to affordable health care, including mental health services, is essential for survivors of domestic and sexual violence. The improvements to the Premium Tax Credit (PTC) under the ARPA and the Inflation Reduction Act have made health insurance more affordable for millions of Americans, including survivors. However, these improvements are set to expire in 2025. If not extended, health insurance premiums will rise across the country, putting essential care out of reach for many survivors who already face significant financial burdens.

We urge lawmakers to extend these health care tax credits to ensure that survivors have access to affordable, comprehensive health coverage, including mental health services and trauma-informed care, which are critical to their recovery and long-term well-being.

Conclusion

The 2025 tax debate provides a critical opportunity to build a tax code that supports survivors of domestic violence, sexual assault, and other forms of gender-based violence. We urge you to prioritize survivors by raising revenues through fair and equitable tax policies. This revenue can be used to invest in the services and support that survivors and their families need, from childcare and paid leave to affordable housing and health care.

We thank you for your attention to these urgent issues and for considering the needs of survivors in the upcoming tax debate. For more information or to discuss how tax policy can better support survivors, please contact Mariam Durrani at mdurrani@thehotline.org.

Sincerely,

Asian Pacific Institute on Gender-Based Violence
FreeFrom
Futures Without Violence
Health Care for America Now (HCAN)
Jewish Women International
Just Solutions

³ Center on Poverty and Social Policy, What Could 2023 Child Poverty Rates Have Looked Like Had an Expanded Child Tax Credit Still Been in Place? *available at* <https://www.povertycenter.columbia.edu/publication/what-2023-child-poverty-rates-could-have-looked-like>

⁴ Center on Budget and Policy Priorities, Record Rise in Poverty Highlights Importance of Child Tax Credit; Health Coverage Marks a High Point Before Pandemic Safeguards Ended, *available at* <https://www.cbpp.org/press/statements/record-rise-in-poverty-highlights-importance-of-child-tax-credit-health-coverage>

Legal Momentum

Minnesota Indian Women's Sexual Assault Coalition

National Alliance to End Sexual Violence

National Center on Domestic Violence, Trauma, and Mental Health

National Council of Jewish Women

National LGBTQ Institute on IPV

National Network to End Domestic Violence

National Organization for Women

National Partnership for Women & Families

National Resource Center on Domestic Violence

National Women's Law Center

The Network Advocating Against Domestic Violence

Ujima, The National Center on Violence Against Women in the Black Community

Unitarian Universalists for Social Justice

ValorUS

Women's Center & Shelter of Greater Pittsburgh