



Members of the 117th Congress
Washington, D.C.

Monday, August 30, 2021

Dear Members of Congress,

The temporary expansion of the Child Tax Credit (CTC) under the American Rescue Plan is already delivering on its promise to help all families succeed, cut child poverty nearly in half, and reduce racial income inequities. We urge that you make this expansion permanent in the current budget reconciliation package.

Every aspect of the expanded CTC and the Earned Income Tax Credit under the American Rescue Plan should be permanent, including full refundability. We cannot return to the days of an old tax credit that leaves millions of children behind.

By making the credit fully refundable, the expanded CTC corrected a historic wrong. Before this expansion, roughly 27 million children received only a partial tax credit or none at all — especially children of color. Nearly half of Black and Latinx children were previously left behind by this policy, compared to only about one-third of white children. The previous CTC also left out 70% of families headed by single parents or guardians who are female.

A permanently expanded CTC, including full refundability, should include the immigrant children who were excluded from the CTC by Pres. Trump in 2017. That legislation made roughly 1 million children ineligible for the CTC by requiring them to have a Social Security Number to qualify. The result is no accident: Nearly 85% of kids affected by this restriction were Hispanic, many of whom are DREAMers brought to the United States when they were young. Congress should restore CTC eligibility to include children with Individual Taxpayer Identification Numbers (ITINs).

These provisions — permanent full refundability and restoring access to the CTC to immigrant children with ITINs — are essential to achieve the White House's goals of creating a racially equitable CTC and cutting child poverty in half. These

are the parts of the policy that directly take on structural racism: Returning to an era without full refundability would roll back an important racial justice win.

Even after just the first few payments, the expanded CTC is changing lives. Early data show the expanded CTC is directly reducing hunger among families with kids, with outsized improvements among families of color. Since checks started going out, hunger has fallen by one-third among Latinx families and by one-quarter among Black families.

Columbia University researchers estimate that the expanded CTC has already lifted 3 million children out of poverty. A permanent expansion of the CTC is expected to cut child poverty rates nearly in half, bringing a total of 4.1 million children — including 1.6 million Latinx children and 930,000 Black children — out of poverty.

That is transformative change — and millions of families across the country are feeling this change in their lives right now. It would be unthinkable to roll back this progress.

There is no better investment Congress can make than in our nation's children. It will pay back in the short term when parents inject these payments back into our local economies. And in the long run, the data are clear that lifting a child out of poverty leads to better nutrition, better test scores, and higher rates of school enrollment and college entry.

This is the moment to make the expanded, fully refundable CTC permanent and more equitable. Democrats may not control all the levers of power and Republicans may not go along with this in a future negotiation. Democrats in Congress and the White House must seize this opportunity and use their power to get this done and directly help millions of families, while slashing child poverty and helping address historic injustices.

We urge you to support a permanent expansion of the Child Tax Credit in the budget reconciliation, including permanent full refundability and restoring eligibility for immigrant children with ITIN numbers.

Sincerely,

Alianza Nacional de Campesinas

All Home, CA

Arizona Center for Economic Progress

ASISTA

Bread for the World
Center for American Progress
Center for Law and Social Policy (CLASP)
Child Welfare League of America
Children's Action Alliance
Children's HealthWatch
Coalition on Human Needs
Color of Change
Common Sense
Community Change/Action
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces
Economic Security Project Action
Educare Learning Network
Faith Action Network - Washington State
Family and Home Network
Fighting Chance for Families
Friends Committee on National Legislation
Fuerza
Futures Without Violence
Gerald Huff Fund for Humanity
Golden State Opportunity
Heartland Alliance
High Ground Institute
Hoosier Action
Income Movement
Institute on Taxation and Economic Policy
Leadership Conference of Women Religious

Los Angeles Regional Food Bank
Maine Equal Justice
Maine People's Alliance
National Advocacy Center of the Sisters of the Good Shepherd
National Council of Churches of Christ in the USA (NCC)
National Immigration Law Center
National Women's Law Center
Our Children Oregon
ParentsTogether Action
People's Action
Pioneer Valley Project
Poligon Education Fund
Prosperity Now
RESULTS
SaverLife
Share Our Strength
Shriver Center on Poverty Law
Springboard To Opportunities
Stand for Children
Start Early
Statewide Poverty Action Network (WA)
Tax March
The Chicago Community Trust
UnidosUS
United Way of Illinois
Universal Income Project
Voices for Progress

YWCA USA

Ilana Lowery, Common Sense Arizona*

Laura Peralta-Schulte, Network Lobby for Catholic Social Justice*

Margaret Prescod, Women of Color/Global Women's Strike*

Sandy Ochoa, Mi Familia Vota*

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