

October 1, 2021

The Honorable Charles Schumer
Majority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader Schumer:

We are writing to thank you for your leadership on the expanded Child Tax Credit (CTC) and to urge you to prioritize extending it—as permanently refundable and inclusive of immigrant children—in the Build Back Better Act.

As community-based, faith-based, and grassroots organizations that provide services including childcare and early childhood education, medical care, religious programming, youth services and more, we work every day to improve the lives of New York children and families. Collectively, we serve over 1.3 million New Yorkers every year.

Today, nearly 11 million—or one in seven—children in the United States live in poverty, and many more families struggle to make ends meet.^[1] The CTC has been a lifeline for these families. In the three short months that families have been receiving advance payments from the expanded CTC, we have already seen the meaningful impact it has had in our communities. The first CTC payment alone lifted 3 million children out of poverty across the United States.^[2] Food insecurity among families with children fell 20 percent.^[3] In New York, the CTC has reached more than 3.3 million children, helping their parents rest better at night knowing that they have financial help raising their children. In August, New Yorkers received \$828.3 million in CTC advance payments.^[4] That is a good investment for today—and for New York's future.

A strong extension of the CTC promises to cut childhood poverty almost in half, reduce racial inequity in child poverty rates, and boost social mobility in the future.^[5] Experts estimate that the CTC could cut poverty rates among Native American children by more than 60 percent, and poverty rates among Black children by more than half.^[6] Studies of analogous cash transfer programs to families have found that they have benefits long into the future, improving children's educational attainments into young adulthood, enhancing health outcomes, and resulting in higher earnings for recipients later in life.^[7]

Extending the CTC is also good economic policy. Researchers estimate that over the next 12 months, a CTC extension would increase consumer spending by \$27 billion, generate \$1.9 billion in revenue from state and local sales taxes, and fund the equivalent of more than 500,000 full-time, median wage jobs.^[8] The CTC extension is, therefore, critical for our economic recovery.

If Congress does not extend the CTC—or excludes the most vulnerable families, either by making the credit non-refundable or adding a work requirement—its successes to date will be

fleeting. Excluding millions of children whose parents are not employed or who do not make enough to file federal taxes would hurt the most vulnerable families. It would punish the children whose parents cannot work because of a disability, whose caregivers are gig workers that do not make stable or steady income, whose parents have gone back to college, or whose grandparents are caring for them full-time and no longer work. They are the families who need the CTC most—and who will use the money at local businesses, restaurants and grocery stores immediately, stimulating the economy.

The House Ways and Means Committee draft of the CTC also extended it to children with Individual Taxpayer Identification Numbers (ITINs). Before the 2017 Tax Cuts and Jobs Act excluded them, these families with immigrant children were eligible for the Child Tax Credit. Restoring CTC eligibility for these roughly one million children would rectify this unjust exclusion.[\[9\]](#)

As you work to make the Build Back Better Act law, we urge you to hold firm on your commitment to a strong, inclusive extension of the CTC. The CTC is not only good for children, families, businesses and our economic recovery in the short-term; it is also a critical investment in our future.

Thank you,

All Our Kin
Arab-American Family Support Center Inc
Bronx House
BronxWorks
Children's Aid
Children's Defense Fund - New York
Chinese-American Planning Council
Citizens' Committee for Children of New York
East Side House Settlement
Educational Alliance
Family Ties of Westchester, Inc
Good Shepherd Services
Grand Street Settlement
Henry Street Settlement
Huntington Family Centers
Ibero-American Action League
Jacob A. Riis Neighborhood Settlement
New York Immigration Coalition
Ocean Bay Community Development Corporation
Poppy Muse Inc.
Schuyler Center for Analysis and Advocacy
Syracuse Northeast Community Center
The Children's Agenda
The Education Trust–New York
The Jewish Community Project of Lower Manhattan

The New Shul
The NYS Kincare Coalition
The Shul of New York
United Neighborhood Houses
United Way of Buffalo and Erie County
United Way of Westchester and Putnam
University Settlement
Westchester Children's Association
Westcott Community Center
WHEDco
YMCA of Greater New York

[1] Areeba Haider, “The basic facts about children in poverty,” Center for American Progress, January 12, 2021, <https://www.americanprogress.org/issues/poverty/reports/2021/01/12/494506/basic-facts-children-poverty/>.

[2] Zachary Parolin, et. al., “Monthly Poverty Rates Among Children after the Expansion of the Child Tax Credit,” Columbia University Center on Poverty and Social Policy, August 20, 2021, <https://static1.squarespace.com/static/5743308460b5e922a25a6dc7/t/612014f2e6deed08adb03e18/1629492468260/Monthly-Poverty-with-CTC-July-CPSP-2021.pdf>

[3] Carmen Reinicke, “Just one child tax credit payment reduced financial anxiety for 56 percent of families,” CNBC, August 19, 2021, <https://www.cnbc.com/2021/08/19/one-child-tax-credit-payment-cut-financial-anxiety-for-56-percent-of-families.html>

[4] “Treasury and IRS Disburse Second Month of Advance Child Tax Credit Payments,” U.S. Department of the Treasury, August 13, 2021, <https://home.treasury.gov/news/press-releases/jy0322>.

[5] Gregory Acs and Kevin Warner, “How a Permanent Expansion of the Child Tax Credit Could Affect Poverty,” Urban Institute, July 29, 2021, <https://www.urban.org/research/publication/how-permanent-expansion-child-tax-credit-could-affect-poverty>;

[6] “A Poverty Reduction Analysis of the American Family Act,” Center on Poverty and Social Policy at Columbia University, January 25, 2021, <https://static1.squarespace.com/static/5743308460b5e922a25a6dc7/t/600f2123fdfa730101a4426a/1611604260458/Poverty-Reduction-Analysis-American-Family-Act-CPSP-2020.pdf>.

[7] See Christopher Pulliam and Richard Reeves, “New Child Tax Credit Could Slash Poverty Now and Boost Social Mobility Later,” Brookings, March 11, 2021, <https://www.brookings.edu/blog/up-front/2021/03/11/new-child-tax-credit-could-slash-poverty-now-and-boost-social-mobility-later/>.

[8] Samuel Hammond and Robert Orr, “Measuring the Child Tax Credit’s Economic and Community Impact,” Niskanen Center, August 2, 2021, <https://www.niskanencenter.org/report-measuring-the-child-tax-credits-economic-and-community-impact/>.

[9] Carmen Reinicke, “About 1 million more kids could get the child tax credit in the future thanks to this change in plans from the Democrats,” CNBC, September 16, 2021, <https://www.cnbc.com/2021/09/16/1-million-more-kids-could-get-the-child-tax-credit-in-the-future-.html>.