



News Release

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PRESS RELEASE

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House Tax Bill's Child Tax Credit Increase Excludes 68,000 Children in Low-Income Working Families

NEW HAVEN – House leaders highlight an increase in the maximum value of the federal Child Tax Credit (CTC) as their tax bill's signature benefit for working families, but the provision completely excludes 68,000 children in Connecticut whose parents work in low-paying jobs, [according to a new report](#) from the Washington, DC-based Center on Budget and Policy Priorities. Another 94,000 Connecticut children in low-income working families would receive less than the full \$600 increase in the credit that would be available to higher income families. Altogether, about 162,000 Connecticut children in working families would either be excluded entirely or only partially benefit from the increase in the CTC.

Nationally, roughly 23 million children would be partially or entirely excluded from the House plan, even as it newly extends the CTC to families with incomes between \$150,000 and \$294,000. For example, a single mom of two working full time at the minimum wage would get no benefit from the CTC expansion under the House Republican plan while a married couple earning \$230,000 would receive a new \$3,200 benefit.

“Helping families that are struggling to make ends meet gives kids a better shot at success. Research suggests that boosting parents’ incomes helps children do better in school, and makes them healthier and more likely to go to college,” said Ellen Shemitz, Executive Director of Connecticut Voices for Children. “That’s good for our kids and our economy. Leaving these families out makes no sense.”

Senate leaders have suggested that they may increase the CTC further when they release their tax bill this week. Unless they revise the proposal's basic structure, however, it would provide far larger benefits to higher income families than to families that face difficulties affording the basics.

House Republican Tax Plan Would Largely Benefit the Wealthy at the Expense of Everyone Else

Even as the House tax bill excludes tens of thousands of Connecticut children from its CTC expansion, it spends billions of dollars on large tax cuts for the wealthiest families and profitable corporations. The wealthiest 1 percent of Connecticut residents will receive an average tax cut of \$66,020 by 2027, when the plan's provisions are fully in effect.

In total, the House bill's tax cuts would increase the deficit by at least \$1.5 trillion over the next decade. Congressional leaders might then use rising deficits to justify seeking large cuts in programs like Medicaid, food assistance for struggling families, education, job training, and college aid – programs that help everyday Americans make ends meet, access health care, and succeed in today's economy.

“The current federal tax proposal excludes millions of low-income working families. But when attention turns to paying for these tax cuts, these are the families that will bear the brunt of cuts in health care, education, job training, and other key programs – a one-two punch that would leave these families worse off overall,” says Shemitz. “Connecticut's congressional delegation should oppose a tax bill that partially or entirely excludes working families from a CTC increase, provides lavish benefits on the wealthy, and balloons the deficit. Instead, they should pursue a bipartisan tax bill that focuses its benefits on workers and families, doesn't cut taxes for the wealthy, and doesn't increase the deficit.”

About Connecticut Voices for Children: Connecticut Voices for Children is a research-based child advocacy organization working to ensure that all Connecticut children have an equitable opportunity to achieve their full potential. In furtherance of its mission, Connecticut Voices for Children produces high-quality research and analysis, promotes citizen education, advocates for policy change at the state and local level, and works to develop the next generation of leaders.