

Restore the Child Tax Credit to All Children



To ensure an equitable and recovery from COVID-19 – all immigrant families and every child must be included in relief efforts. Congress must take action to create a permanent solution through the budget reconciliation process to fight poverty for all children in the United States.



Restoring eligibility for the Child Tax Credit (CTC) would impact over 5,000 children in Iowa and bring \$15.5 MILLION into the state.¹

Why Do We Need to Restore the Child Tax Credit (CTC) to “Little DREAMers”?

- The CTC is one of the nation’s most powerful tools for fighting poverty.
- Before 2017, all children, regardless of whether they had Social Security Numbers (SSNs), were eligible for the CTC if their parents met the income eligibility requirements.
- President Trump’s 2017 Tax Cuts and Jobs Act (TCJA) was a cruel attack on immigrant children, which denied the CTC to kids if they could not provide an SSN.
- About one million children nationwide lost the CTC in 2017 due to Trump’s tax “reform” bill, which gave billions in tax cuts to the wealthiest Americans.
- A measure that would restores the CTC to kids without SSNs was included in the House text for the reconciliation bill and should be included in the Senate version.

No child should live in poverty in the United States.

- The CTC substantially reduces child poverty by supporting families who are more likely to have low-wage jobs, fewer benefits, and fewer work protections.²
- Providing families with additional income supports during a child’s early development has been shown to have substantial benefits for future health and educational attainment.³
- Black and Hispanic children experience some of the highest poverty rates in the country, and 71 percent of children in poverty in 2019 were children of color.⁴
- Prior to the pandemic, 25.3% of Hispanic children and 40.8% of Black children in Iowa were living in poverty.⁵
- Estimates show that child poverty exacts a cost of \$800 BILLION to \$1.1 TRILLION in lost economic output annually, suggesting that reducing child poverty is among the smartest investments we can make as a society.⁶

For more information, contact **Jackie Vimo** at the **National Immigration Law Center**: vimo@nilc.org

¹ <https://itep.org/inclusive-child-tax-credit-reform-would-restore-benefit-to-1-million-young-dreamers/>

² <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/>.

³ <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/#fn-495784-24>.

⁴ <https://www.childrensdefense.org/wp-content/uploads/2021/04/The-State-of-Americas-Children-2021.pdf>.

⁵ <https://www.childrensdefense.org/policy/resources/soac-2020-child-poverty-tables/>.

⁶ <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/#fn-495784-26>.