



United States Conference of Catholic Bishops

3211 FOURTH STREET NE • WASHINGTON DC 20017-1194 • 202-541-3000

WEBSITE: WWW.USCCB.ORG • FAX 202-541-3339

May 19, 2022

United States Senate
Washington, DC 20510

Dear Senator:

Families struggling to make ends meet received much needed relief in 2021 through an expanded Child Tax Credit. They were able to use the credit to meet basic needs, with many spending it on food, utility bills, rent or mortgage payments, clothing, and education costs.¹ This credit was extremely effective at reducing child poverty, with some reports indicating a nearly 30 percent decrease.² With the expanded credit now expired, child poverty is rising sharply.³ Addressing this poverty is a moral imperative of the highest priority.⁴ Rising inflation impacts lower-income families the most, making it even more expensive to raise children. An expanded Child Tax Credit is a tool that can offset the impact of inflation and provide immediate relief to these families.

We are encouraged that Congress is considering improving the Child Tax Credit and we urge you to continue this work. As you deliberate on how best to proceed, we ask you to keep the following principles in mind.

- 1. The credit should be fully refundable, without a minimum income threshold, in order to have the biggest impact on the lowest-income families.** The current Child Tax Credit is structured in a way that prevents millions of children from receiving the maximum credit because their families do not have enough earnings to qualify. It is critical that the most economically vulnerable children receive the full benefit of the credit. Doing so targets the benefit to those most in need. Tying eligibility or benefit amounts to earnings or work requirements for the parents could limit the ability of the credit to reach children in the most distressed situations. Instead, the credit should be kept fully refundable and available, so the poorest children receive its full value.
- 2. The credit should continue to include mixed-status families.** Individual Taxpayer Identification Number (ITIN) filers who are parents of U.S.-citizen children are currently able to claim the Child Tax Credit for their eligible children. This eligibility should be retained in any future iterations of the credit. We urge you not to enact any provisions that would reduce or eliminate the credit for U.S.-citizen children, regardless of their parents' immigration status. The USCCB has long advocated for children of immigrant families to be included in such antipoverty programs.
- 3. The credit should be available for the year before birth.** Pregnant mothers should be able to claim the credit retroactively for the time of pregnancy in the year before birth for the benefit of their unborn children. Many families experience financial stress during pregnancy. The Child Tax Credit can aid new and growing families at a critical time.

¹ Kids Count Data Center, "[Most Common Uses of 2021 Child Tax Credit Payments: Food, Utilities, Housing, Clothes.](#)"

² See, e.g., Center on Poverty and Social Policy, "[Sixth Child Tax Credit Payment Kept 3.7 Million Children Out of Poverty in December.](#)"

³ See, e.g., Center on Poverty and Social Policy, "[Monthly Poverty Remains Elevated in February.](#)"

⁴ *Economic Justice for All*, no. 170.

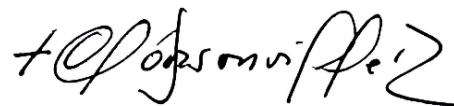
4. **The credit should not undermine the building of families.** Any changes made to the credit should continue to support and strengthen families, without financially disincentivizing marriage or otherwise harming family formation and growth. The credit should be fully available to each child, no matter the size of the family.
5. **The credit should not be offset by cutting programs that serve those most in need.** The debate around public spending for the common good often includes discussion of ways to finance such investments. The cost of an improved Child Tax Credit should not be borne by the most disadvantaged among us. Essential programs that serve those most in need should not be pitted against each other. As you weigh appropriate ways to finance an improved Child Tax Credit, we reiterate that “the tax system should raise adequate revenues to pay for the public needs of society, especially to meet the basic needs of the poor...[and] should be structured according to the principle of progressivity, so that those with relatively greater financial resources pay a higher rate of taxation.”⁵

We understand this conversation is underway at a time when the economy is faced with rising inflation. Appropriate monetary policy should be used to address this challenge. At the same time, we must address the effects of inflation for those who are most vulnerable, including children in poverty. The U.S. bishops have long taught that "policies and programs to reduce unemployment and poverty must not ignore a potential inflationary impact. These complexities and trade-offs are real and must be confronted, but they are not an excuse for inaction. They should not paralyze us in our search for a more just economy."⁶ Especially in this moment of economic uncertainty, we urge you to take action to ensure the progress made in the fight against child poverty this past year is not lost and that we build on these gains. We appreciate your work towards this goal thus far and stand ready to work with you to achieve it.

Sincerely,



Most Reverend Paul S. Coakley
Archbishop of Oklahoma City
Chairman, Committee on Domestic Justice
and Human Development



Most Reverend Mario E. Dorsonville
Auxiliary Bishop of Washington
Chairman, Committee on Migration



Most Reverend William E. Lori
Archbishop of Baltimore
Chairman, Committee on Pro-Life Activities



Most Reverend Salvatore J. Cordileone
Archbishop of San Francisco
Chairman, Committee on Laity, Marriage,
Family Life and Youth

⁵ *Economic Justice for All*, no. 202.

⁶ *Economic Justice for All*, no. 293.



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May 20, 2022

United States House of Representatives
Washington, DC 20515

Dear Representative:

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- 1. The credit should be fully refundable, without a minimum income threshold, in order to have the biggest impact on the lowest-income families.** The current Child Tax Credit is structured in a way that prevents millions of children from receiving the maximum credit because their families do not have enough earnings to qualify. It is critical that the most economically vulnerable children receive the full benefit of the credit. Doing so targets the benefit to those most in need. Tying eligibility or benefit amounts to earnings or work requirements for the parents could limit the ability of the credit to reach children in the most distressed situations. Instead, the credit should be kept fully refundable and available, so the poorest children receive its full value.
- 2. The credit should continue to include mixed-status families.** Individual Taxpayer Identification Number (ITIN) filers who are parents of U.S.-citizen children are currently able to claim the Child Tax Credit for their eligible children. This eligibility should be retained in any future iterations of the credit. We urge you not to enact any provisions that would reduce or eliminate the credit for U.S.-citizen children, regardless of their parents' immigration status. The USCCB has long advocated for children of immigrant families to be included in such antipoverty programs.
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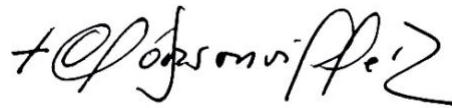
- 5. The credit should not be offset by cutting programs that serve those most in need.** The debate around public spending for the common good often includes discussion of ways to finance such investments. The cost of an improved Child Tax Credit should not be borne by the most disadvantaged among us. Essential programs that serve those most in need should not be pitted against each other. As you weigh appropriate ways to finance an improved Child Tax Credit, we reiterate that “the tax system should raise adequate revenues to pay for the public needs of society, especially to meet the basic needs of the poor...[and] should be structured according to the principle of progressivity, so that those with relatively greater financial resources pay a higher rate of taxation.”⁵

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