



United States Conference of Catholic Bishops

3211 FOURTH STREET NE • WASHINGTON DC 20017-1194 • 202-541-3000
WEBSITE: WWW.USCCB.ORG

January 9, 2024

Dear Senator/Representative:

The United States Conference of Catholic Bishops and Catholic Charities USA have long supported the Child Tax Credit while urging its improvement.¹ We write to renew our request to Congress to work in a bipartisan manner to include a strengthened Child Tax Credit in any upcoming tax package. In upholding the dignity of all, the Catholic Church is committed to building an authentically life-affirming society that prioritizes the well-being of families, and we call on Congress to adopt that same approach. Strengthening the Child Tax Credit is one clear way to respond to this call.

Even with our long-standing support of the Child Tax Credit, we recognize that it is currently structured in a way that excludes too many of the children who need it most. Nearly 19 million children in families with low incomes do not receive the full Child Tax Credit due to their families' low earnings.² The most economically vulnerable children ought to receive the full value of the Child Tax Credit. Congress should address this problem and pass a strengthened Child Tax Credit that prioritizes the poorest children. As the U.S. bishops stated in their pastoral document, *Putting Children and Families First*, "those with the greatest need require the greatest response. This is the 'option for the poor' in action. While every family needs support, poor families and families facing discrimination carry the greatest burdens and require the most help. With limited resources, we need to focus assistance on those with the greatest needs."³

Recent poverty data reveals that 5 million children entered poverty in 2022, underscoring the urgency of improving the Child Tax Credit for the most vulnerable families.⁴ There are several ways to strengthen the credit to better support families. We ask you to keep the following principles in mind to accomplish this goal.

1. **The credit should benefit the lowest-income families.** It is critical that the most economically vulnerable children receive the full benefit of the credit. Doing so targets the credit to those most in need. Tying eligibility or benefit amounts to earnings or work requirements for parents could limit the ability of the credit to reach children in the most distressed situations. Instead, the credit should be made fully refundable, without a minimum income threshold, so the poorest children receive its full value. Making the entire credit available to the poorest families is the most effective step we can take to help the credit reduce child poverty. It's more effective than just increasing the credit's amount.⁵ Additionally, stable monthly payments would be more helpful and practical for lower-income families than the current annual payment, reducing income volatility and lowering child poverty year-round.⁶
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

¹ See, e.g., USCCB May 19, 2022 letter to Congress, <https://www.usccb.org/resources/letters-congress-child-tax-credit-may-19-2022>.

² Tax Policy Center, "Distribution of Tax Units and Qualifying Children by Eligibility for Child Tax Credit, 2002," <https://www.taxpolicycenter.org/model-estimates/children-and-other-dependents-receipt-child-tax-credit-and-other-dependent-tax>.

³ United States Catholic Conference, *Putting Children and Families First*, 1991, <https://www.usccb.org/putting-children-and-families-first-challenge-our-church-nation-and-world>.

⁴ Emily A. Shrider and John Creamer, *Poverty in the United States: 2022*, United States Census Bureau, September 12, 2023, <https://www.census.gov/library/publications/2023/demo/p60-280.html>.

⁵ Sophie Collyer et al., "Earnings Requirements, Benefit Values, and Child Poverty under the Child Tax Credit: Eliminating the Earnings Requirement Does More to Impact Child Poverty than Increasing Benefit Levels," Columbia University Center on Poverty and Social Policy, March 5, 2019, <https://www.povertycenter.columbia.edu/publication/2019/child-tax-credit-earnings-requirement>.

⁶ Christal Hamilton et al., "Monthly Cash Payments Reduce Spells of Poverty Across the Year," Columbia University Center on Poverty and Social Policy, May 9, 2022, <https://www.povertycenter.columbia.edu/publication/monthly-cash-payments-reduce-poverty-spells>.

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 and other eligible children, regardless of their parents' immigration status. The USCCB has long advocated for children of immigrant families to be included in such anti-poverty 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 preborn children. Many families experience financial stress during pregnancy. The Child Tax Credit can aid new and growing families at a critical time, assisting them in welcoming new children.
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 also 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.”⁷

We are grateful for the renewed conversation and commitment on both sides of the aisle towards improving the Child Tax Credit. We strongly encourage Congress to continue this important work. A strengthened Child Tax Credit that benefits the poorest children should be a priority in any forthcoming tax policy package.

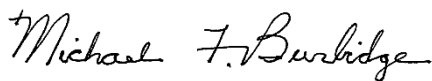
Sincerely,



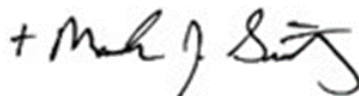
Most Rev. Borys Gudziak
Archbishop of Ukrainian Catholic
Archeparchy of Philadelphia
Chairman, Committee on Domestic
Justice and Human Development



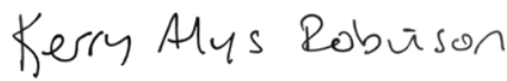
Most Rev. Robert E. Barron
Bishop of Winona-Rochester
Chairman, Committee on Laity,
Marriage, Family Life and Youth



Most Rev. Michael F. Burbidge
Bishop of Arlington
Chairman, Committee on
Pro-Life Activities



Most Rev. Mark J. Seitz
Bishop of El Paso
Chairman, Committee on
Migration



Kerry Alys Robinson
President & CEO
Catholic Charities USA

⁷ USCCB, *Economic Justice for All*, 1986, https://www.usccb.org/upload/economic_justice_for_all.pdf, no. 202.