



children's defense fund

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Expanded Child Tax Credit Has Improved Overall Financial Stability

Washington, D.C. November, 17, 2021—The expanded federal Child Tax Credit (CTC) has reduced families' financial stress, helped them afford necessities, and allowed about one in four of those receiving monthly payments to work more hours outside of the home, according to a [national poll](#) conducted by Ipsos Research and released today by the [Center for Law and Social Policy](#) (CLASP). The survey also found that a majority of parents with incomes below \$75,000 were receiving the monthly payments. In addition, the poll highlighted a continuing gap in claiming the CTC and receipt of the monthly payments among Hispanic families, which is consistent with similar findings in the [earlier Ipsos poll](#) released in September.

Ipsos Research--in conjunction with CLASP, Children's Defense Fund, the Center for the Study of Social Policy (CSSP), National Women's Law Center (NWLC), Prosperity Now, UnidosUS, the University of California, Berkeley, and the Urban Institute-Brookings Institution Tax Policy Center--conducted the [national survey](#) of 1,012 eligible families during the second and third weeks of October, after families would have received three rounds of monthly CTC advance payment. Ipsos surveyed eligible families with children ages 0-17 living at home and with incomes below \$75,000.

"The expanded Child Tax Credit has already made an incredible difference in the lives of families, and our national survey provides further evidence of that positive impact," said Olivia Golden, executive director at CLASP. "When families, including those with the lowest incomes, can receive their CTC as a monthly payment, rather than as an annual lump-sum, it helps parents afford routine essentials like bills, food and rent – and it reduces their financial stress. The expansions to the CTC benefit our children, caregivers, communities, and overall economy."

Key findings in the survey:

- Over three-fourths (77%) of respondents reported claiming the CTC, either when they filed their taxes or through the non-filer portal. Hispanic respondents were less likely to report claiming the CTC (64% among tax filers), compared with white respondents and Black respondents (76%).
- Two-thirds of respondents (66%) reported receiving monthly CTC payments at the time of the survey (An even higher share of respondents who claimed the CTC on their tax return--78%--are receiving the monthly payments). Another 15% of respondents who reported claiming the CTC expect a lump-sum refund

next year. Hispanic respondents (61%) were less likely than white respondents (67%) to report receiving the monthly payments.

- The most common way that respondents reported they plan to use their CTC refund or monthly payments is toward necessities: paying bills, buying food and groceries, helping to pay their rent or mortgage, purchasing clothing and shoes, and paying down debt.
- The CTC monthly payments have also reduced financial stress for respondents. Of those who receive monthly payments, nearly 70% said the monthly payments made them less stressed about money.
 - Respondents also reported that the additional money from the CTC, beyond reducing their financial stress overall, allowed them to buy more or higher quality food and has helped them to pay for toys, gifts, or activities for their children.
- Almost one in four of all respondents receiving CTC monthly payments said the payments have made it easier to engage in paid work or to work more hours. Black respondents were twice as likely to say the monthly payments have made it easier for them to engage in work compared to white respondents (42% vs. 20%).
- Nearly half (46%) of respondents who reported receiving at least one federal tax credit said that tax credits and payments (including the CTC, but also the Earned Income Tax Credit and the Child and Dependent Care Tax Credit) make them feel like the government cares about their family's health and well-being. Over half of Hispanic respondents (62%) and Black respondents (51%) reported that the credits inspired this feeling, compared to 33% of white respondents.

The findings of the survey are consistent with other research and anecdotal reports that have shown the positive impact—both financial and personal--the advance CTC monthly payments have had, starting in July when the first payments went out to families.

[A memo detailing the results of the second poll can be found here.](#)

This is the second survey in a series evaluating the impact of the CTC. [The first survey](#), conducted right before the first wave of monthly payments went out, focused on families' awareness of the CTC. It found that the vast majority of eligible families reported awareness of the CTC and claimed it in their tax filings, but gaps for Hispanic families and those without a college degree persisted.

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