

# How are Connecticut families using their Child Tax Credit payments?

## Evidence from Census Data

Stephen Roll, PhD; Yung Chun, PhD; Laura Brugger, MA; Leah Hamilton, PhD

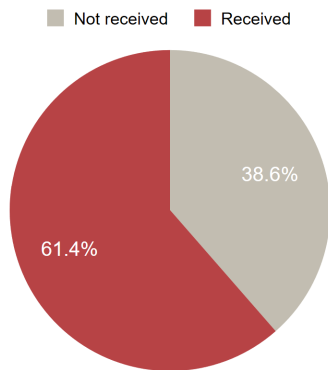
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of U.S. families with children are eligible for the CTC.

In this research brief, we use data from the Census Household Pulse survey to examine how a representative sample of Connecticut families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21<sup>st</sup> and August 16<sup>th</sup>, covering the period in which the first two CTC payments were deposited in families' bank accounts.

**Key Finding 1:** 61% of eligible CT families received the CTC.

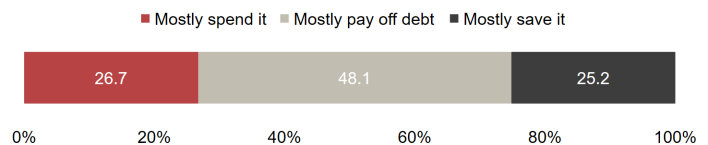
**Key Finding 2:** 48% of CT families reported using their CTC to mostly pay down debt, 27% mostly spent it, and 25% mostly saved it.

### CTC receipt (CT)



Sample size: 373

### CTC and balance sheets (CT)

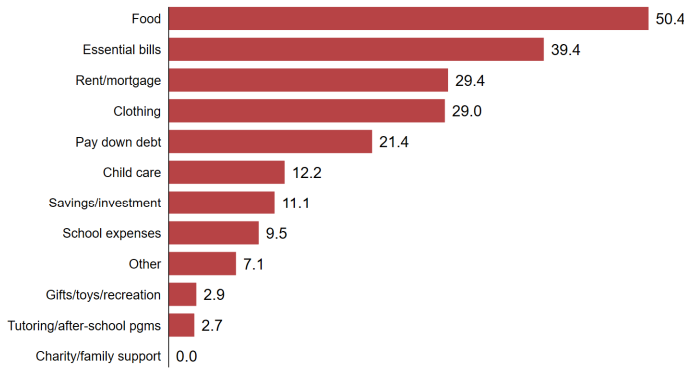


Sample size: 238

**Key Finding 3:** The most common uses of the CTC payments among CT families were purchasing food for their family (50%), managing bills (39%), and housing costs (29%).

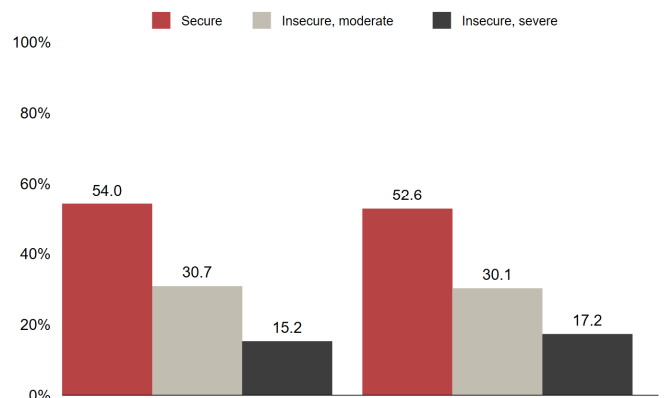
**Key Finding 4:** Eligible CT families experienced lower rates of moderate food insecurity after CTC payments went out, although rates of severe food insecurity increased.

### CTC usage (CT)



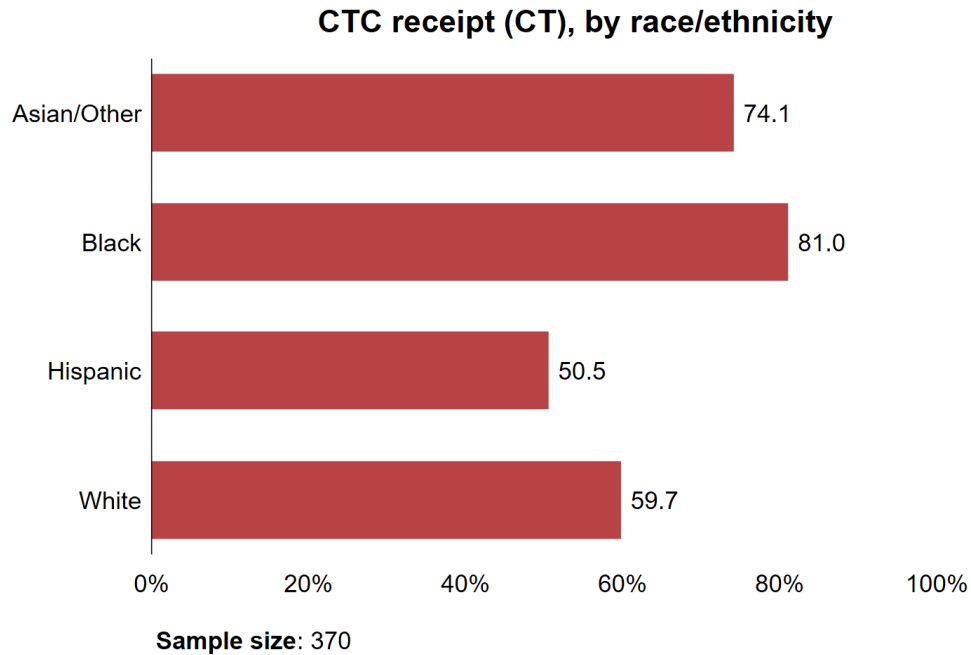
Sample size: 239

### Food insecurity experiences (CT)



Sample size (Pre-CTC, week 30-33): 716; Sample size (Post-CTC, week 34-35): 373

**Key Finding 5:** Black CT families were most likely to receive CTC payments (81%), followed by Asian families or those of some other race/ethnicity (74%).



**Key Finding 6:** Black families were more likely to use their CTC funds to pay down debt relative to other groups, while Asian families or those of some other race/ethnicity were more likely to report mostly spending their CTC payments.

