

How are Hawaii families using their Child Tax Credit payments?

Evidence from Census Data

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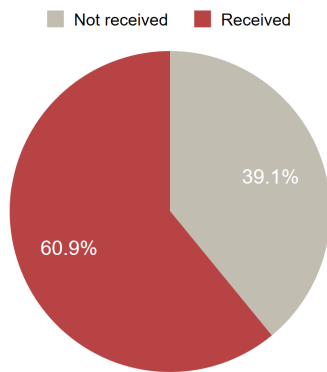
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of 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 Hawaii families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21st and August 16th, covering the period in which the first two CTC payments were deposited in families' bank accounts.

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

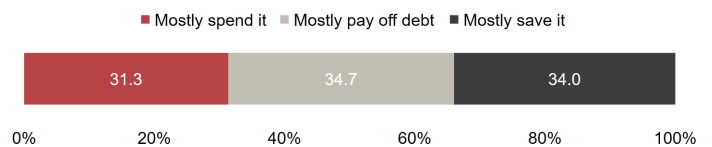
Key Finding 2: 35% of HI families reported mostly using their CTC to pay down debt, 34% mostly saved their CTC, and 31% mostly spent it.

CTC receipt (HI)



Sample size: 266

CTC and balance sheets (HI)

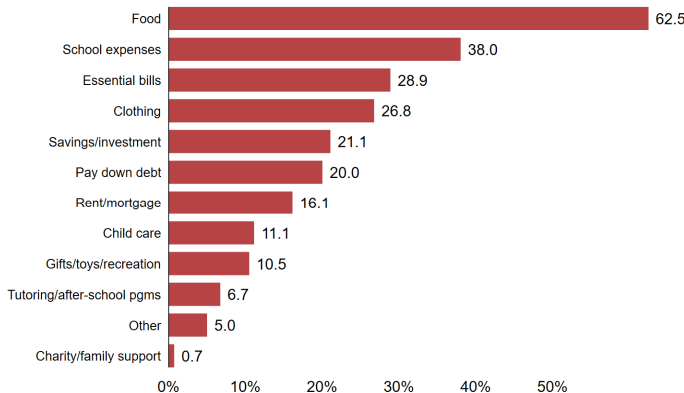


Sample size: 168

Key Finding 3: The most common uses of the CTC payments among HI families were purchasing food for their family (63%), school expenses (38%), and managing bills (29%).

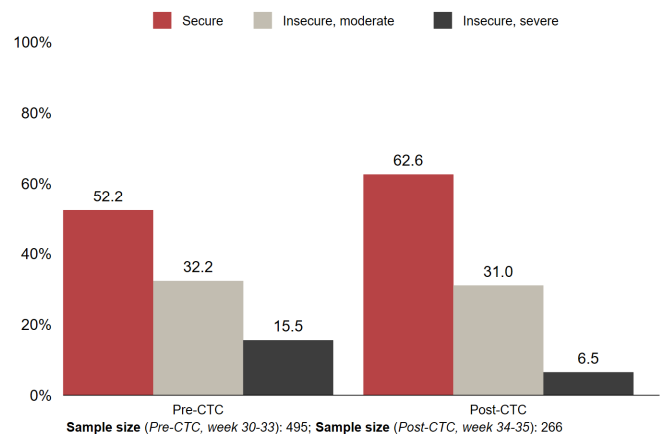
Key Finding 4: Eligible HI families experienced lower rates of moderate and severe food insecurity after CTC payments went out.

CTC usage (HI)



Sample size: 168

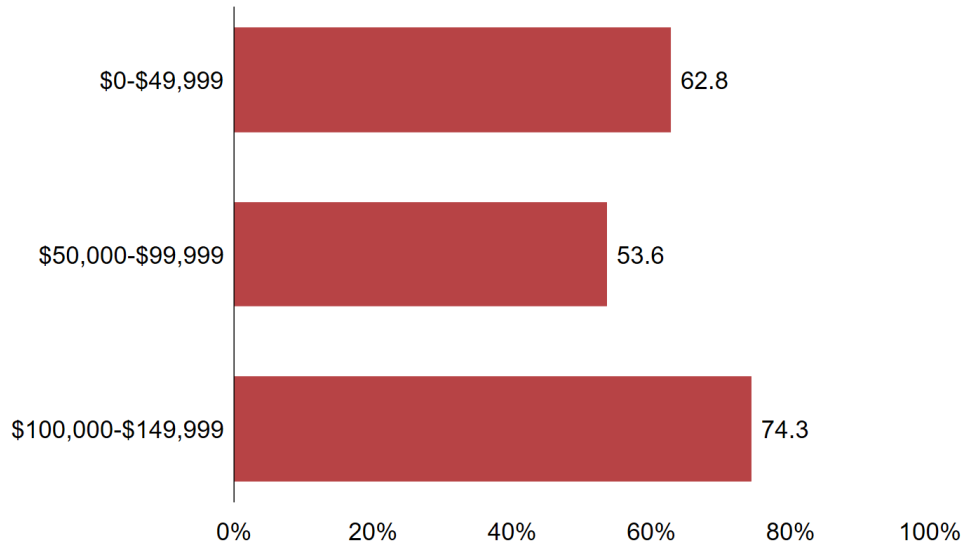
Food insecurity experiences (HI)



Sample size (Pre-CTC, week 30-33): 495; Sample size (Post-CTC, week 34-35): 266

Key Finding 5: Families in the highest income category in HI were most likely to receive the CTC (74%), followed by families in the lowest income category (63%).

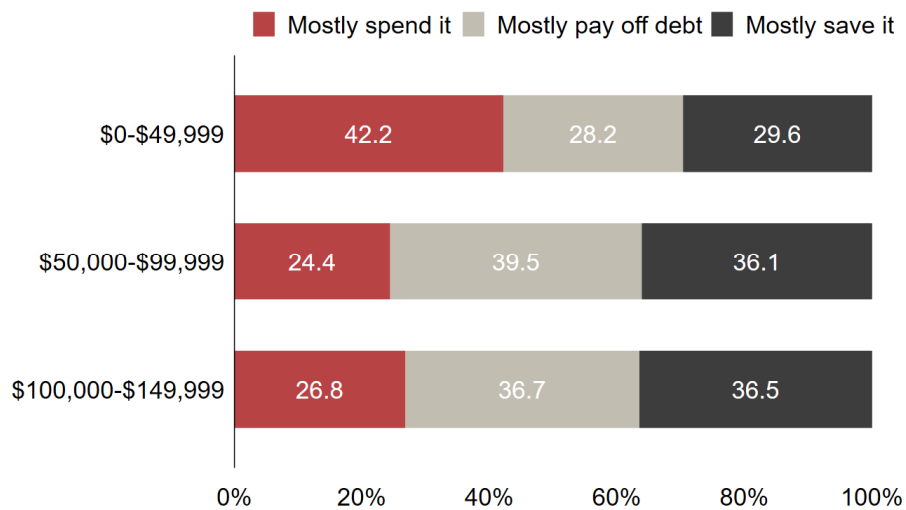
CTC receipt (HI), by income



Sample size: 265

Key Finding 6: Families in the middle and high income category reported using their CTC for similar purposes (around 75% reported mostly paying down debt or mostly saving it), while those in the lowest income category were more likely to report mostly spending their CTC

CTC and balance sheets (HI), by income



Sample size: 168