

How are Illinois families using their Child Tax Credit payments?

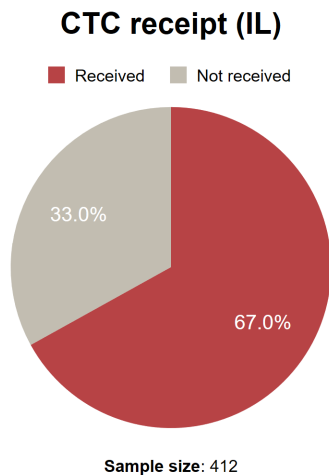
Evidence from Census Data

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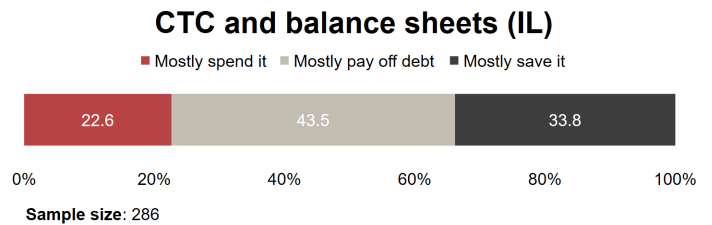
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of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

In this brief, we use data from the Census Household Pulse survey to examine how a representative sample of CTC-eligible Illinois 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.

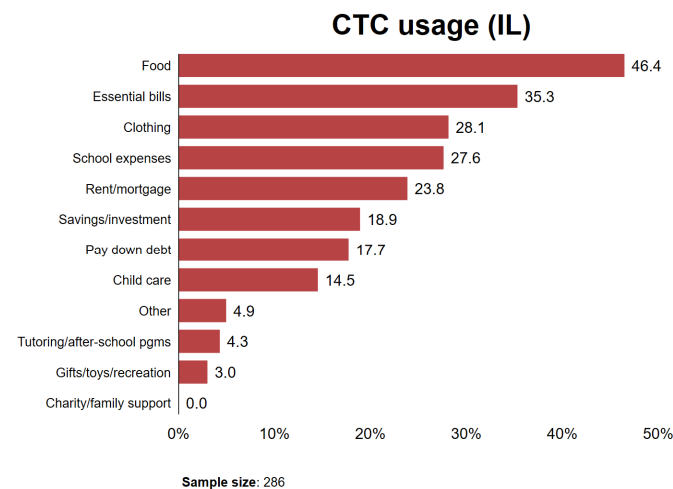
Key Finding 1: Over two-thirds of eligible IL families received the CTC.



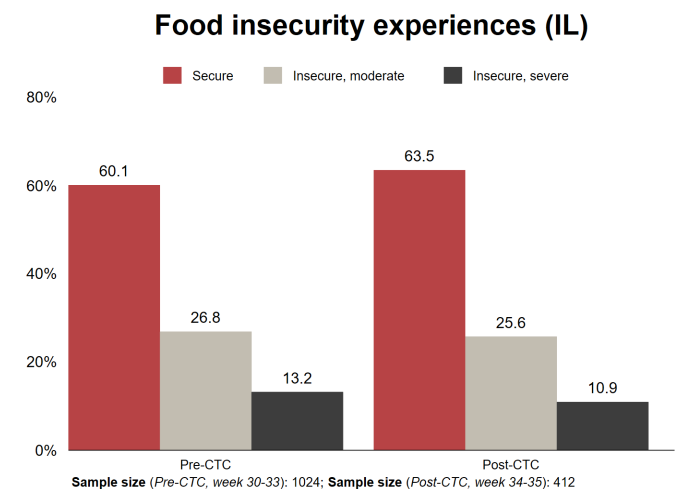
Key Finding 2: 44% of IL families reported mostly using their CTC to pay down debt, 34% mostly saved their CTC, and 23% mostly spent it.



Key Finding 3: The most common uses of the CTC payments among IL families were purchasing food for their family (46%), managing bills (35%), and paying for clothing and other essentials for their children (28%).

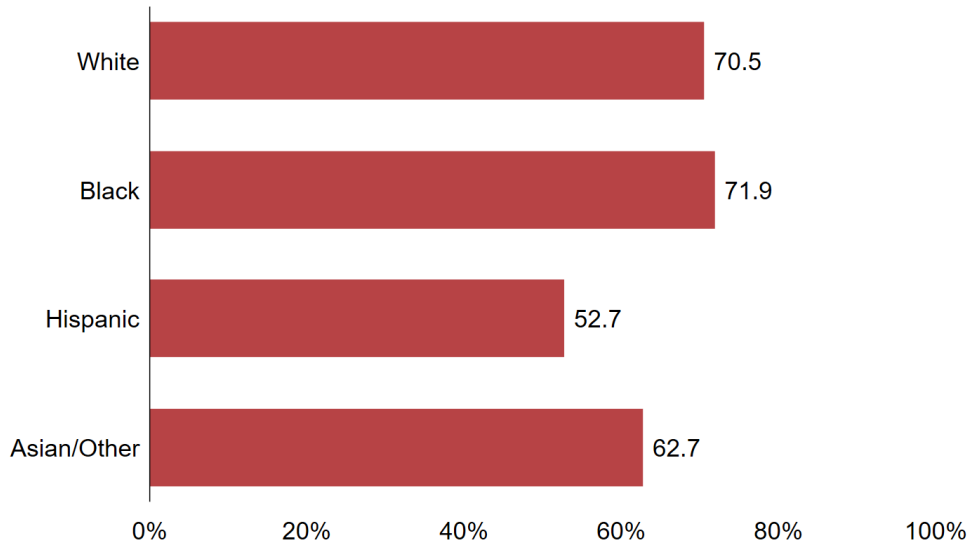


Key Finding 4: Eligible IL families experienced higher rates of food security coupled with lower rates of severe food insecurity after the CTC payments went out.



Key Finding 5: Eligible Black and white IL families were the most likely to receive CTC payments (71-72%), followed by Asian families and those of some other race/ethnicity (63%). Only 53% of Hispanic families received the CTC.

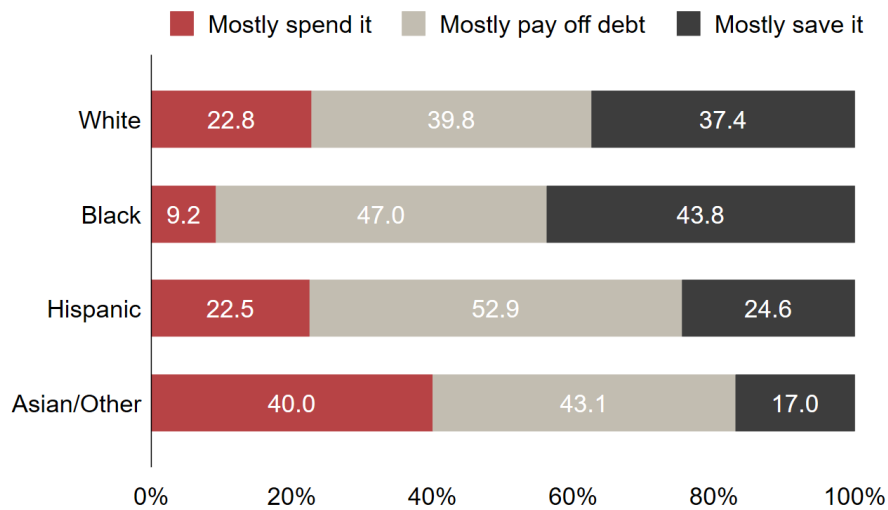
CTC receipt (IL), by race/ethnicity



Sample size: 411

Key Finding 6: Black IL families were more likely to save their CTC funds relative to other groups, while Hispanic families were much more likely to report using their CTC payments to mostly pay down debt and Asian/other families were more likely to mostly spend it.

CTC and balance sheets (IL), by race/ethnicity



Sample size: 286