

How are Massachusetts families using their Child Tax Credit payments?

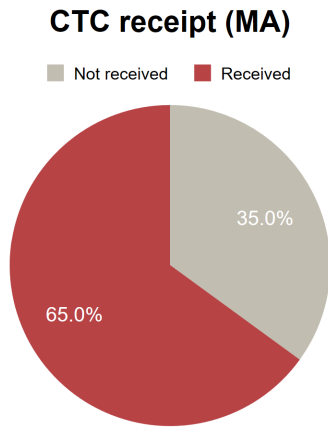
Evidence from Census Data

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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.

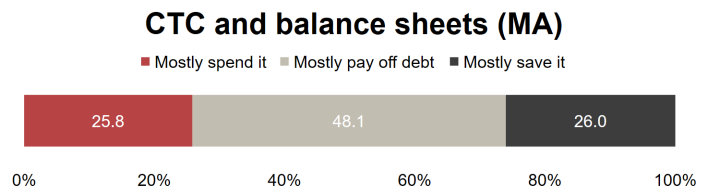
In this research brief, we use data from the Census Household Pulse survey to examine how a representative sample of Massachusetts families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21st and August 16th, covering the period in which the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

Key Finding 1: 65% of eligible MA families received the CTC.



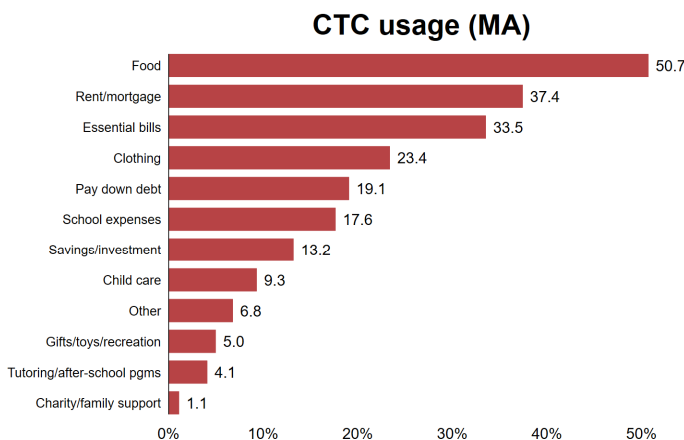
Sample size: 513

Key Finding 2: 48% of MA families reported mostly using their CTC to pay down debt, 26% mostly saved their CTC, and 26% mostly spent it.



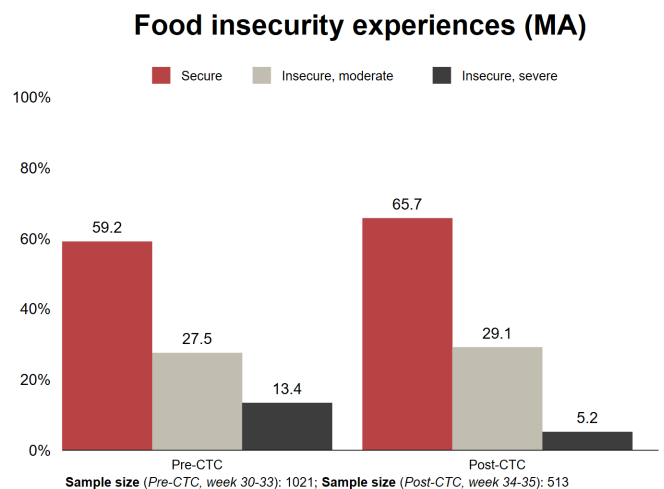
Sample size: 318

Key Finding 3: The most common uses of the CTC among eligible MA families were purchasing food for their family (51%), housing costs (37%), and managing bills (34%).



Sample size: 320

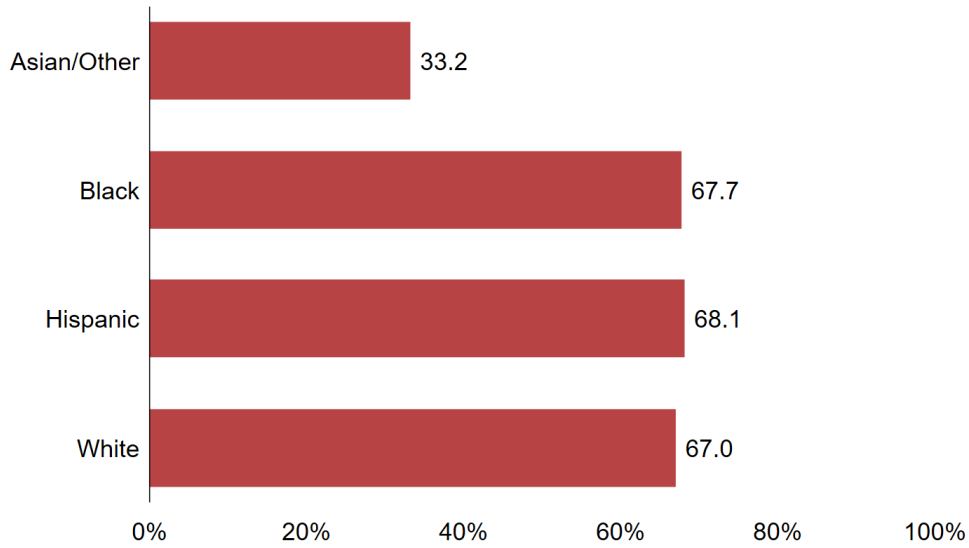
Key Finding 4: Eligible MA families experienced lower rates of severe food insecurity after CTC payments went out.



Sample size (Pre-CTC, week 30-33): 1021; Sample size (Post-CTC, week 34-35): 513

Key Finding 5: Black, Hispanic, and white MA families received the CTC at similar rates (67%-68%), while 33% of Asian families or those of some other race/ethnicity received the CTC.

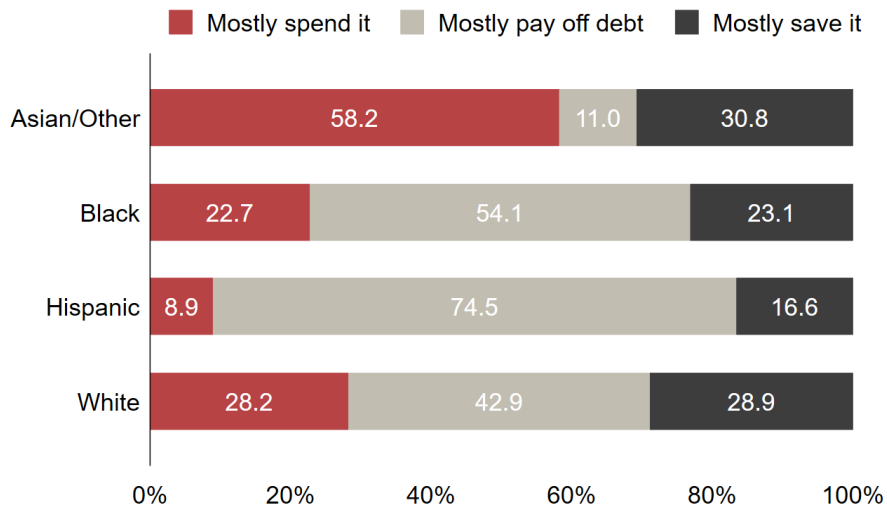
CTC receipt (MA), by race/ethnicity



Sample size: 511

Key Finding 6: Hispanic MA 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.

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



Sample size: 318