

How are Maine families using their Child Tax Credit payments?

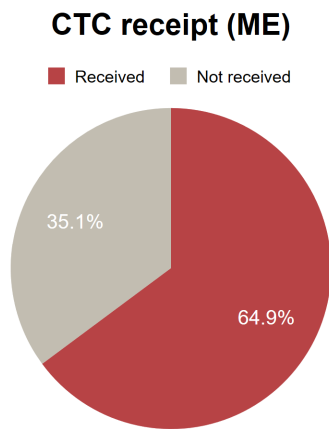
Evidence from Census Data

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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.

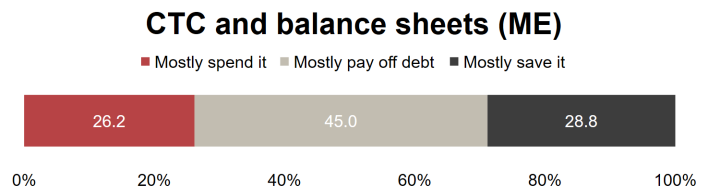
In this brief, we use data from the Census Household Pulse survey to examine how a representative sample of CTC-eligible Maine families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21st and August 16th, covering the period in which the first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

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



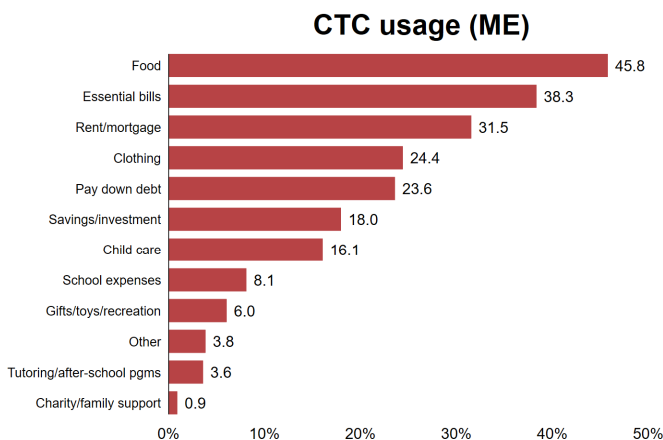
Sample size: 203

Key Finding 2: 45% of ME families reported mostly using their CTC to pay down debt, 29% mostly saved their CTC, and 26% mostly spent it.



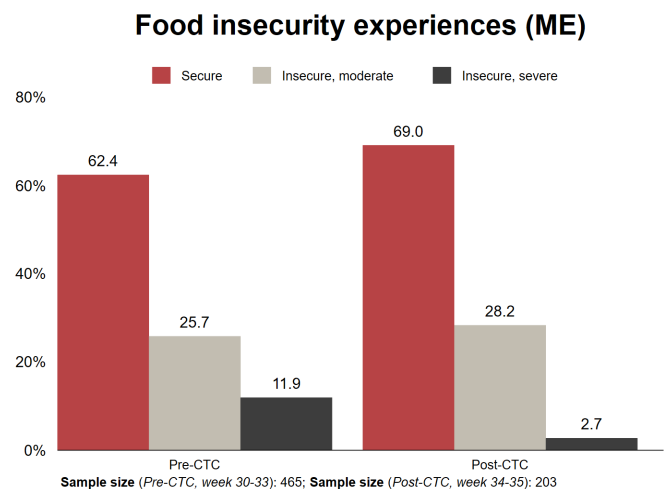
Sample size: 133

Key Finding 3: The most common uses of the CTC payments among ME families were purchasing food for their family (46%), managing bills (38%), and making their rent/mortgage payments (32%).



Sample size: 134

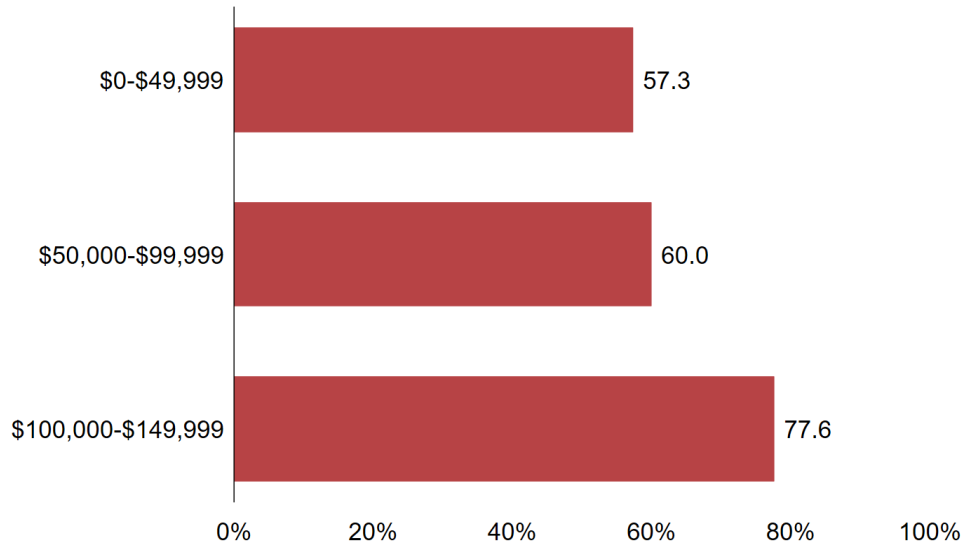
Key Finding 4: Eligible ME families experienced higher rates of food security and much lower rates of severe food insecurity after CTC payments went out.



Sample size (Pre-CTC, week 30-33): 465; Sample size (Post-CTC, week 34-35): 203

Key Finding 5: Roughly 60% of lower- and middle-income eligible ME families received the CTC, while almost 80% of higher-income families received it.

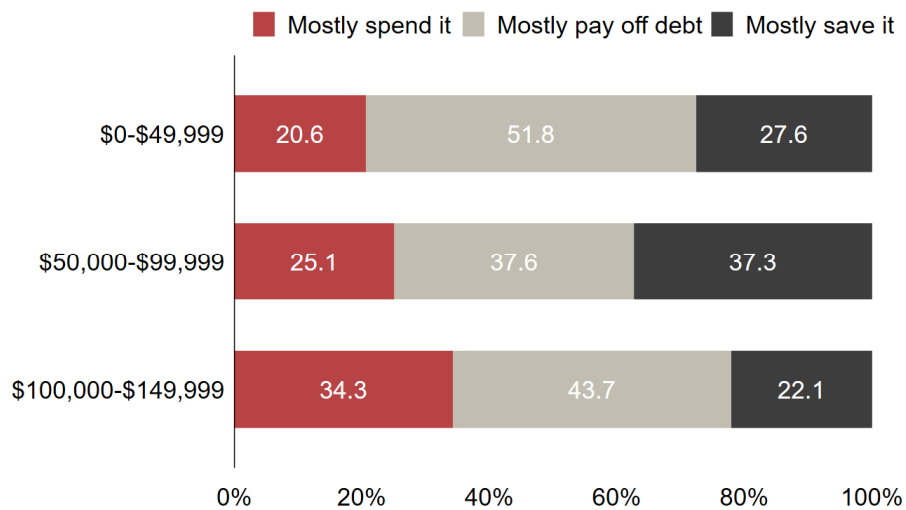
CTC receipt (ME), by income



Sample size: 203

Key Finding 6: Lower-income ME families were more likely to report using the CTC to primarily pay down debt, while middle-income families were more likely to mostly save it and higher-income families were more likely to mostly spend it.

CTC and balance sheets (ME), by income



Sample size: 133