

How are North Dakota families using their Child Tax Credit payments?

Evidence from Census Data

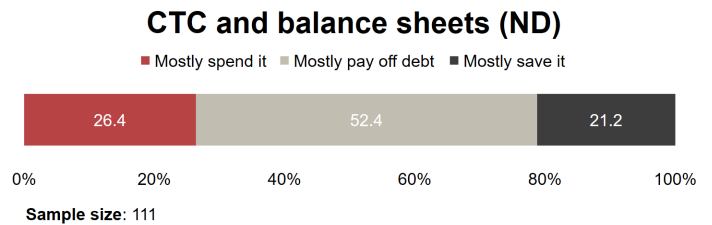
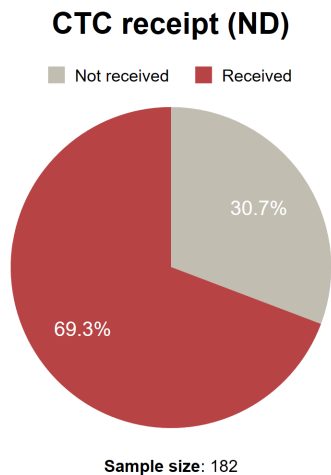
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The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child 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 North Dakota 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.

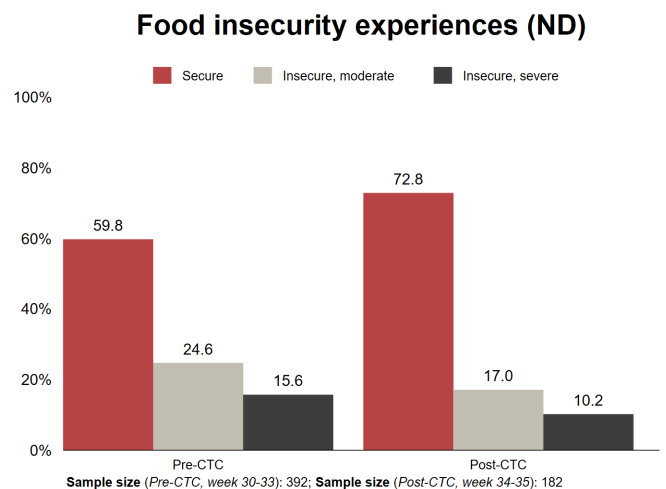
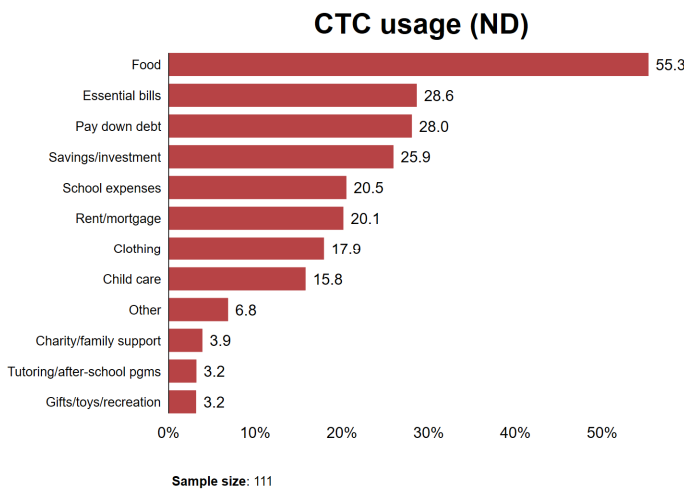
Key Finding 1: 69% of eligible ND families received the CTC.

Key Finding 2: 52% of ND families reported mostly using their CTC to pay down debt, 21% mostly saved their CTC, and 26% mostly spent it.



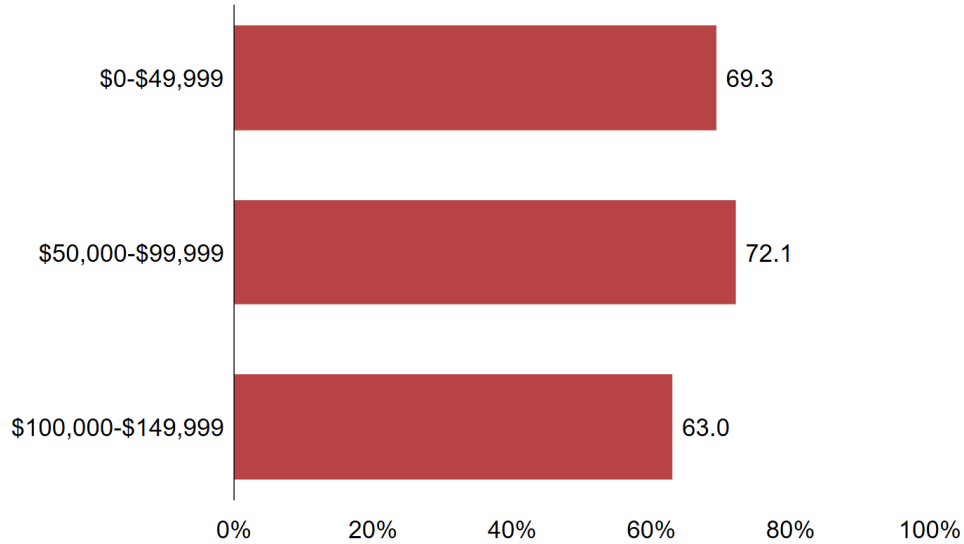
Key Finding 3: The most common uses of the CTC payments among ND families were purchasing food for their family (55%), managing bills (29%), and paying down debt (28%).

Key Finding 4: Eligible ND families experienced lower rates of moderate and severe food insecurity after CTC payments went out. Overall food security increased substantially.



Key Finding 5: ND families in the middle income category received the CTC at the highest rate (72%), followed by families in the lowest income category (69%).

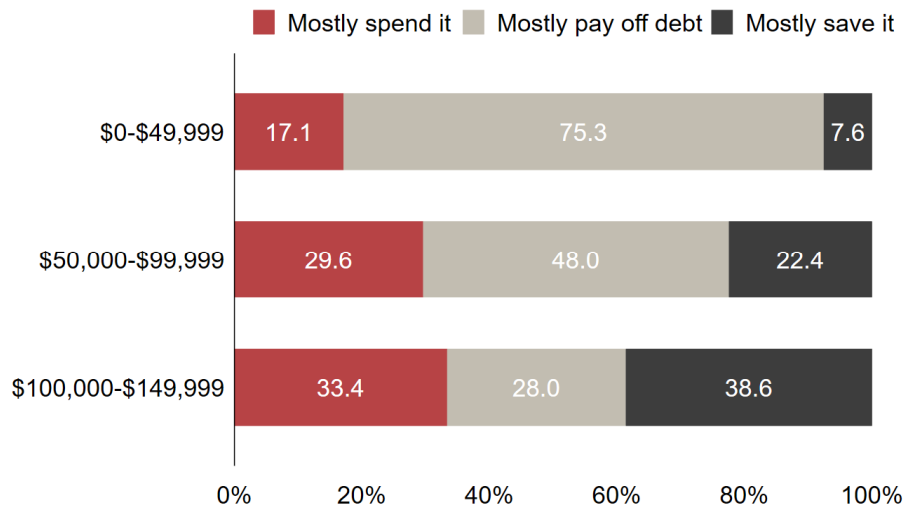
CTC receipt (ND), by income



Sample size: 182

Key Finding 6: ND families in the lowest income category were more likely to use their CTC funds to pay down debt relative to other groups, while those in the highest income category were more likely to report mostly saving their CTC payments.

CTC and balance sheets (ND), by income



Sample size: 111