

# Restore the Child Tax Credit to All Children



To ensure an equitable and recovery from COVID-19 – all immigrant families and every child must be included in relief efforts. Congress must take action to create a permanent solution through the budget reconciliation process to fight poverty for all children in the United States.



**Restoring eligibility for the Child Tax Credit (CTC) would impact about 7,600 children in New Mexico and bring over \$23 MILLION into the state.<sup>1</sup>**

## Why Do We Need to Restore the Child Tax Credit (CTC) to “Little DREAMers”?

- The CTC is one of the nation’s most powerful tools for fighting poverty.
- Before 2017, all children, regardless of whether they had Social Security Numbers (SSNs), were eligible for the CTC if their parents met the income eligibility requirements.
- President Trump’s 2017 Tax Cuts and Jobs Act (TCJA) was a cruel attack on immigrant children, which denied the CTC to kids if they could not provide an SSN.
- About one million children nationwide lost the CTC in 2017 due to Trump’s tax “reform” bill, which gave billions in tax cuts to the wealthiest Americans.
- A measure that would restores the CTC to kids without SSNs was included in the House text for the reconciliation bill and should be included in the Senate version.

## No child should live in poverty in the United States.

- The CTC substantially reduces child poverty by supporting families who are more likely to have low-wage jobs, fewer benefits, and fewer work protections.<sup>2</sup>
- Providing families with additional income supports during a child’s early development has been shown to have substantial benefits for future health and educational attainment.<sup>3</sup>
- Black and Hispanic children experience some of the highest poverty rates in the country, and 71 percent of children in poverty in 2019 were children of color.<sup>4</sup>
- Prior to the pandemic, 30% of Hispanic children and 21.3% of Black children in New Mexico were living in poverty.<sup>5</sup>
- Estimates show that child poverty exacts a cost of \$800 BILLION to \$1.1 TRILLION in lost economic output annually, suggesting that reducing child poverty is among the smartest investments we can make as a society.<sup>6</sup>

For more information, contact **Jackie Vimo** at the **National Immigration Law Center**: [vimo@nilc.org](mailto:vimo@nilc.org)

<sup>1</sup> <https://itep.org/inclusive-child-tax-credit-reform-would-restore-benefit-to-1-million-young-dreamers/>

<sup>2</sup> <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/>.

<sup>3</sup> <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/#fn-495784-24>.

<sup>4</sup> <https://www.childrensdefense.org/wp-content/uploads/2021/04/The-State-of-Americas-Children-2021.pdf>.

<sup>5</sup> <https://www.childrensdefense.org/policy/resources/soac-2020-child-poverty-tables/>.

<sup>6</sup> <https://www.americanprogress.org/issues/economy/reports/2021/02/23/495784/expanded-child-tax-credit-lift-millions-children-poverty/#fn-495784-26>.