

How are Colorado families using their Child Tax Credit payments?

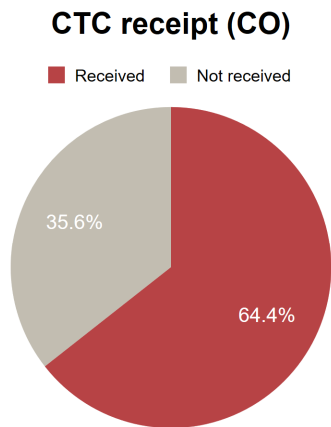
Evidence from Census Data

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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.

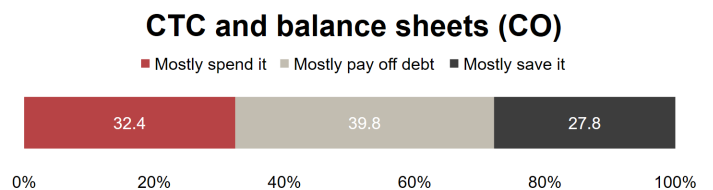
In this brief, we use data from the Census Household Pulse survey to examine how a representative sample of CTC-eligible Colorado families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21st and August 16th, covering the period in which the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

Key Finding 1: Almost two-thirds of eligible CO families received the CTC.



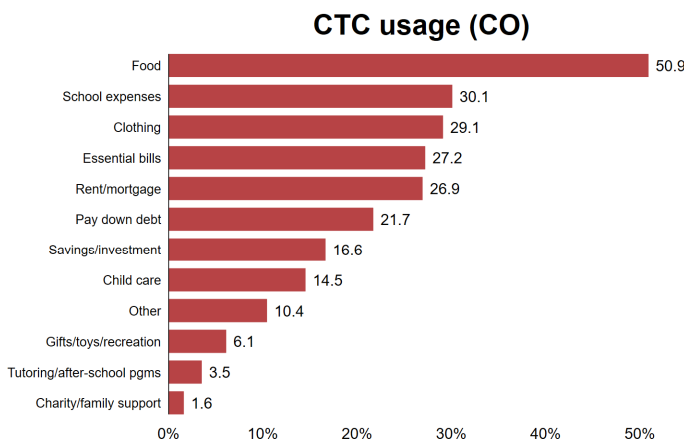
Sample size: 573

Key Finding 2: 40% of CO families reported mostly using their CTC to pay down debt, 28% mostly saved their CTC, and 32% mostly spent it.



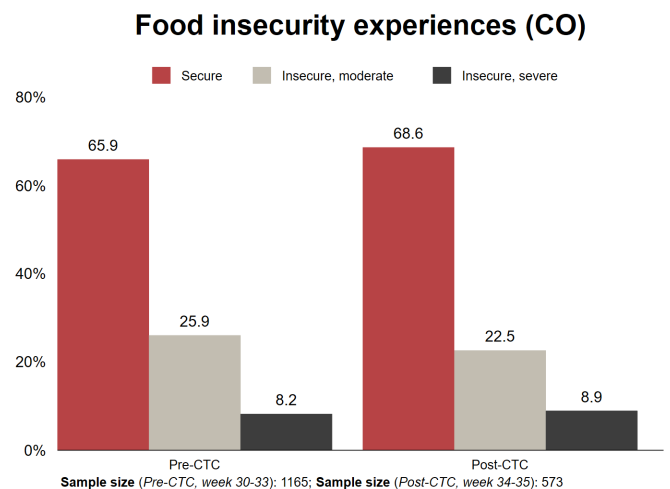
Sample size: 364

Key Finding 3: CO families' most common uses of the CTC payments were purchasing food for their family (51%), followed by paying for school expenses (30%), and paying for clothing and other essentials for their children (29%).



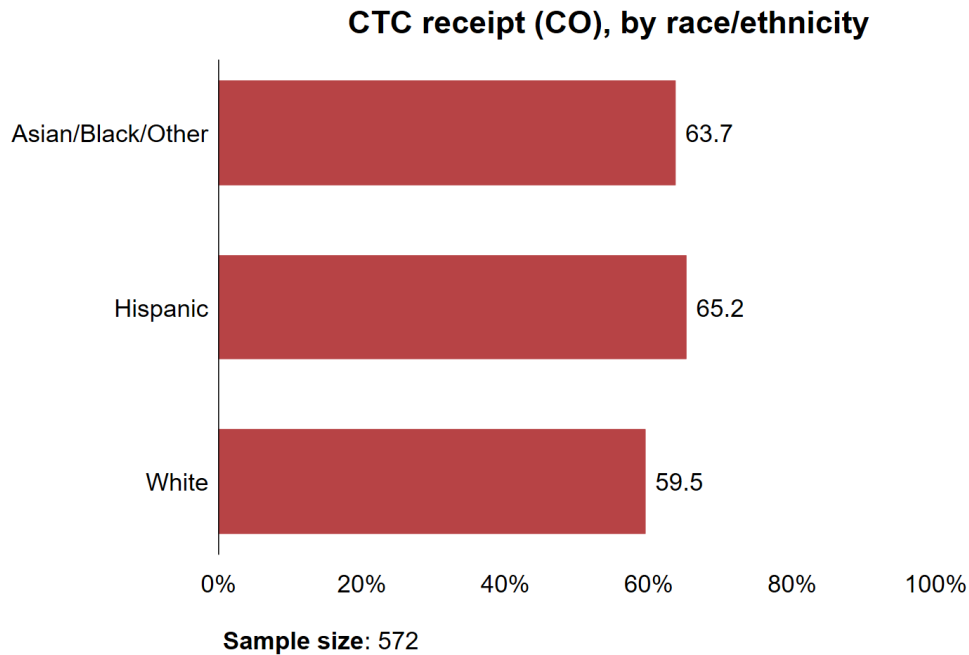
Sample size: 365

Key Finding 4: Eligible CO families experienced slightly lower rates of food insecurity following the introduction of the CTC.

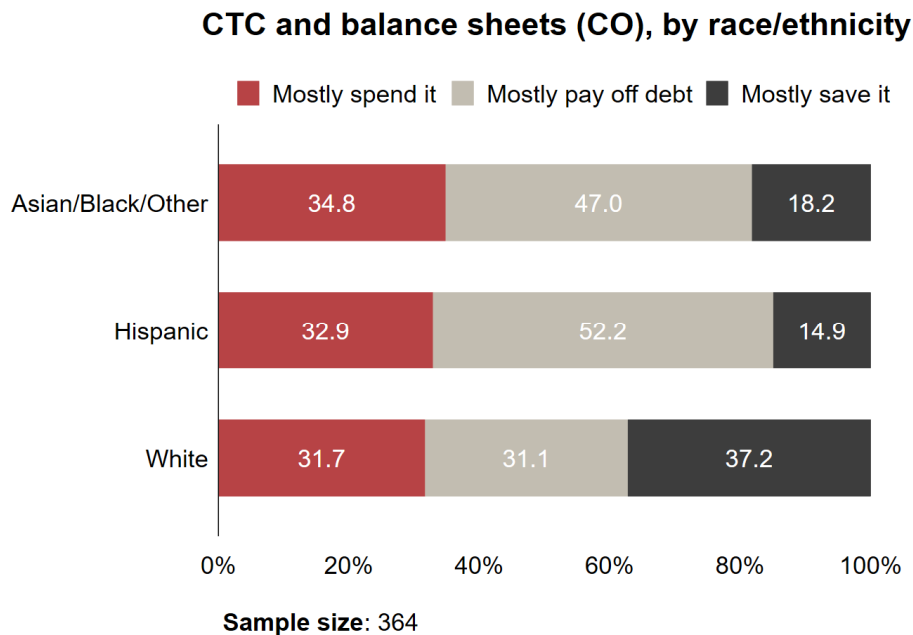


Sample size (Pre-CTC, week 30-33): 1165; Sample size (Post-CTC, week 34-35): 573

Key Finding 5: 65% of Hispanic CO families received the CTC, as did 64% of Asian/Black/other families and 60% of white families.



Key Finding 6: Hispanic and Asian/Black/Other families used the CTC in similar ways, with the most common usage being debt payments. White families were more likely to mostly save the CTC.



*Asian, Black, and other families are categorized together due to small sample sizes in each group.