

How are Minnesota families using their Child Tax Credit payments?

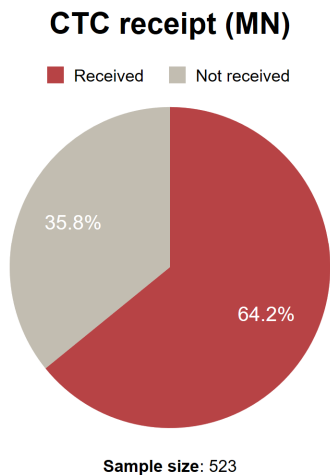
Evidence from Census Data

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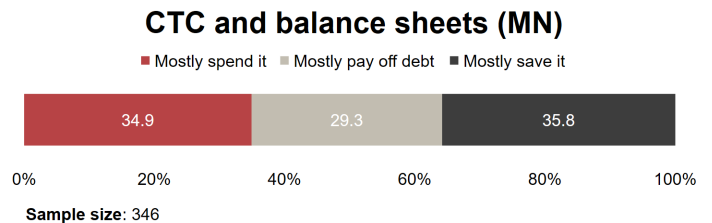
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of 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 Minnesota 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.

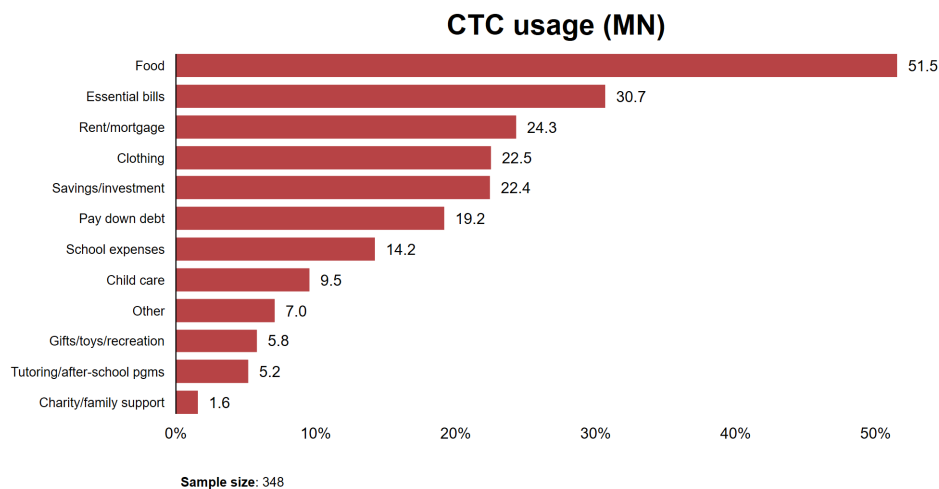
Key Finding 1: Almost two-thirds of eligible MN families received the CTC.



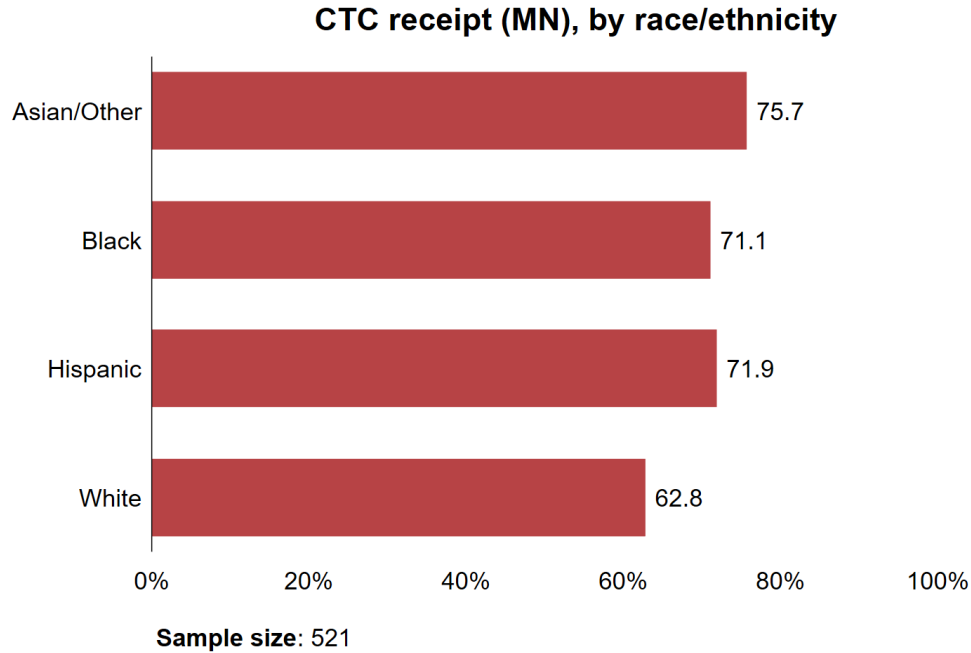
Key Finding 2: 36% of MN families reported mostly using their saving their CTC, 35% mostly spent their CTC, and 29% mostly paid down debt.



Key Finding 3: The most common uses of the CTC payments among MN families were purchasing food for their family (52%), managing bills (31%), and paying the rent/mortgage (24%). Over a fifth of families reported using the CTC for clothing or other items for their children or building savings.



Key Finding 5: Between 71% and 76% of Asian/Other, Black, and Hispanic MN families received the CTC, as compared to 63% of white families.



Key Finding 6: Black and Asian/Other MN families were more likely to report mostly spending their CTC payments, while Hispanic families were more likely to report mostly saving it. White families were relatively evenly split in how they used the CTC.

