

How are New Jersey families using their Child Tax Credit payments?

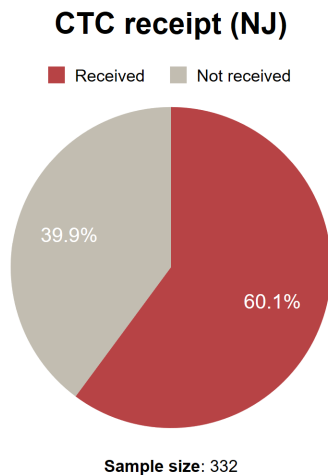
Evidence from Census Data

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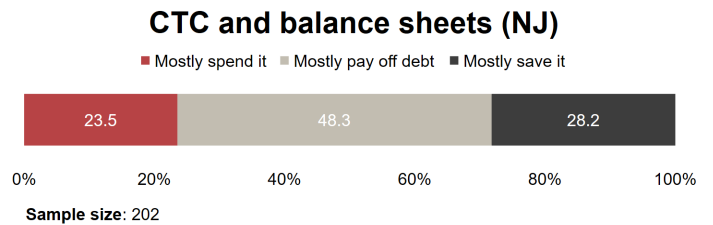
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of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

In this brief, we use the Census Household Pulse survey to examine how a representative sample of CTC-eligible New Jersey 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.

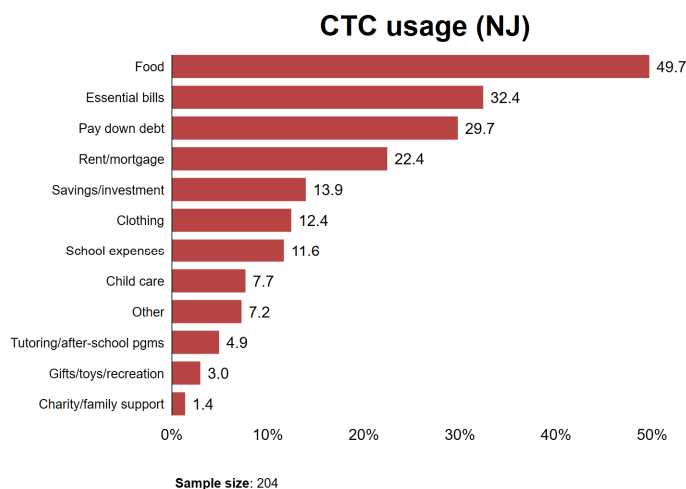
Key Finding 1: Almost 60% of eligible NJ families received the CTC.



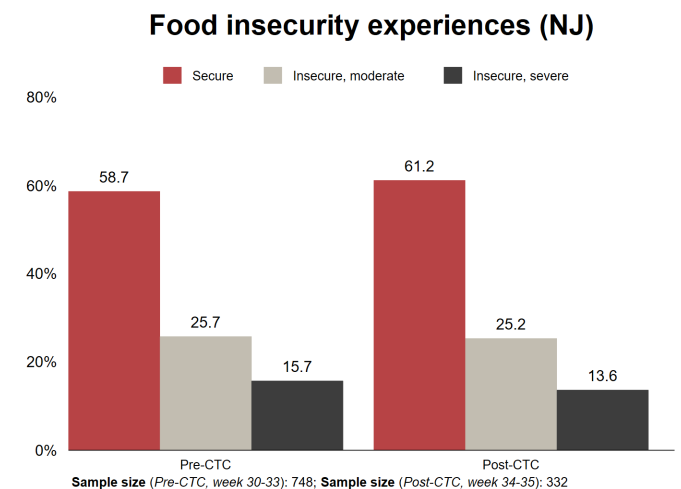
Key Finding 2: Almost half of NJ families reported mostly using their CTC to pay down debt, 28% mostly saved their CTC, and 24% mostly spent it.



Key Finding 3: The most common uses of the CTC payments among NJ families were purchasing food for their family (50%), managing bills (32%), and paying down debt (30%).

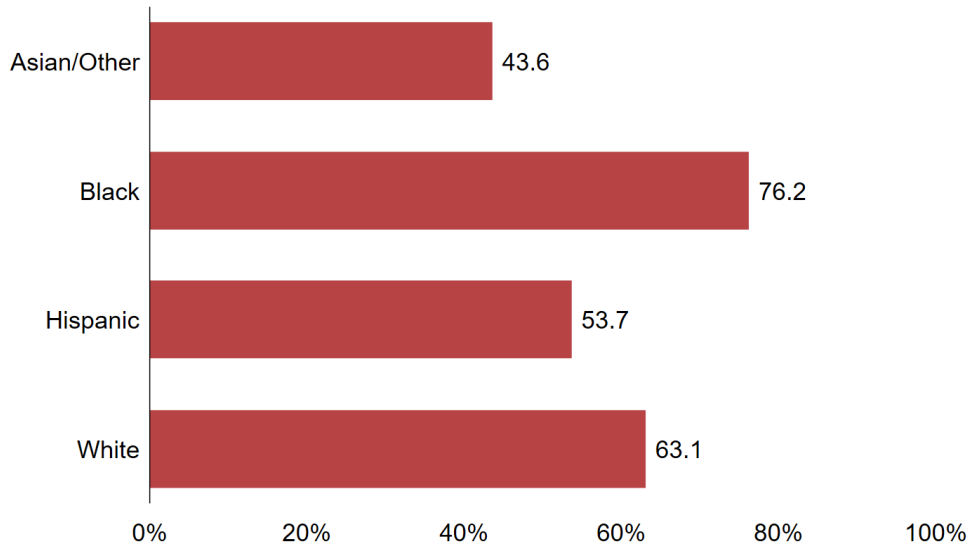


Key Finding 4: Eligible NJ families experienced higher rates of food security and lower rates of severe food insecurity after CTC payments went out.



Key Finding 5: Black NJ families were most likely to receive CTC payments (76%), followed by white (63%) and Hispanic (54%) families. Only 44% of Asian families or those of some other race/ethnicity received the CTC.

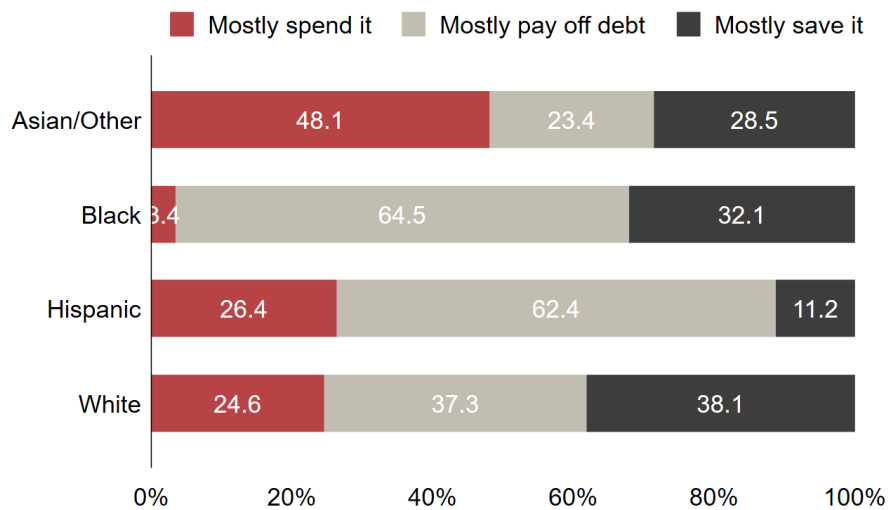
CTC receipt (NJ), by race/ethnicity



Sample size: 331

Key Finding 6: Black and Hispanic NJ families were much more likely to use their CTC funds mostly on paying down debt relative to other groups, while white families were more likely to report mostly saving their CTC payments and Asian/other families were more likely to report mostly spending the payments.

CTC and balance sheets (NJ), by race/ethnicity



Sample size: 202