

# How are Tennessee families using their Child Tax Credit payments?

## Evidence from Census Data

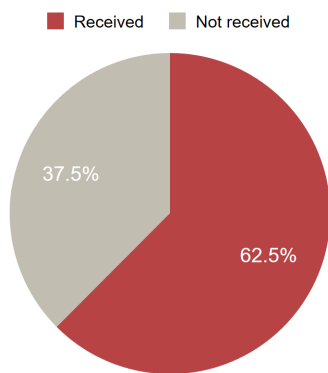
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The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child 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 Tennessee families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21<sup>st</sup> and August 16<sup>th</sup>, covering the period in which the first two CTC payments were deposited in families' bank accounts.

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

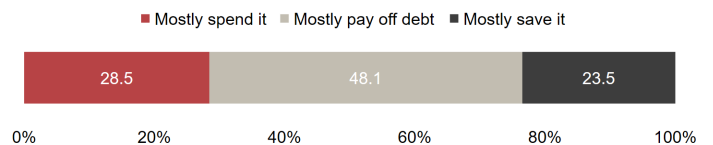
### CTC receipt (TN)



Sample size: 424

**Key Finding 2:** 48% of TN families reported mostly using their CTC to pay down debt, 29% mostly spent their CTC, and 24% mostly saved it.

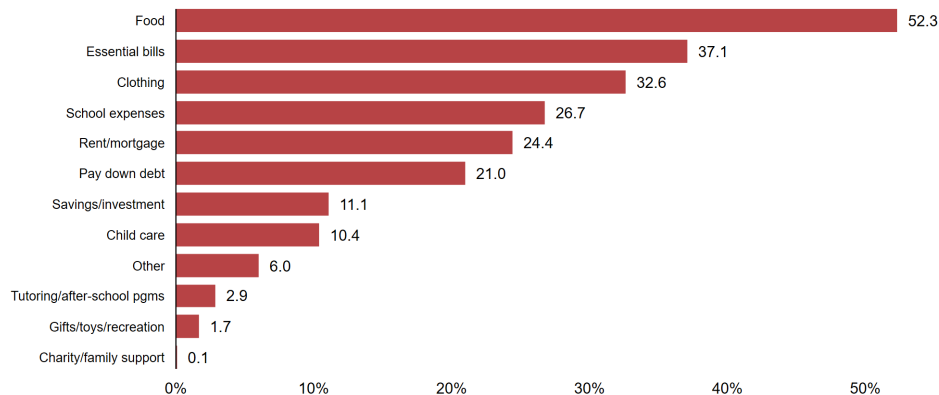
### CTC and balance sheets (TN)



Sample size: 268

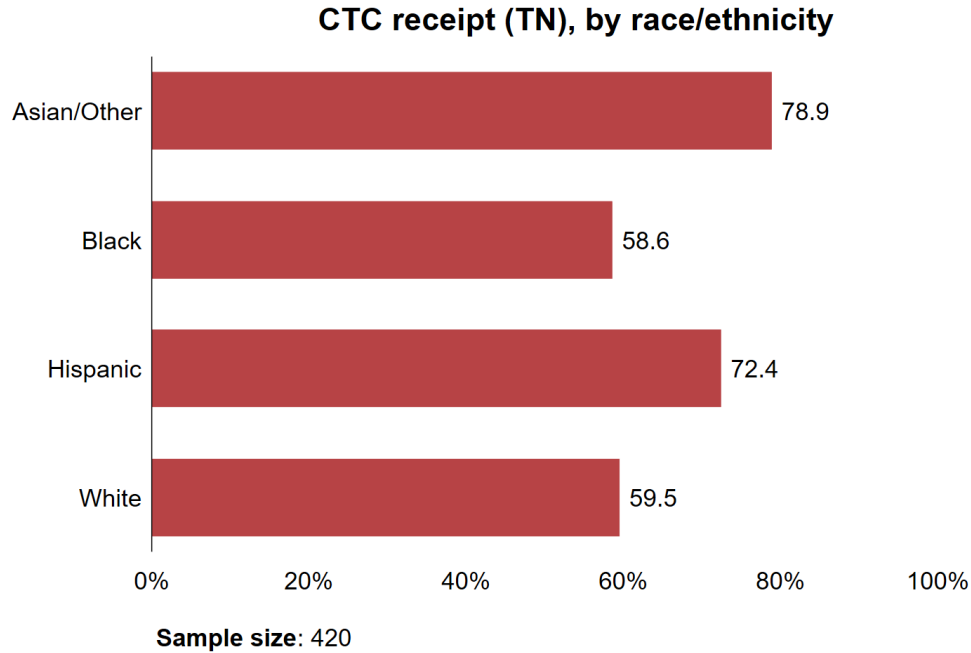
**Key Finding 3:** The most common uses of the CTC payments among TN families were purchasing food for their family (52%), managing bills (37%), and paying for clothing and other essentials for their children (33%). Around a quarter of TN families used the CTC to pay for school expenses or rent/mortgage payments.

### CTC usage (TN)



Sample size: 270

**Key Finding 5:** 79% of TN Asian families or families of a different race/ethnicity received the CTC, as did 72% of Hispanic families and almost 60% of white and Black families.



**Key Finding 6:** Asian/other families were more likely to mostly spend the CTC than other groups, while Hispanic families were more likely to mostly use it for debt and white families were more likely to mostly save it.

