

How are Virginia families using their Child Tax Credit payments?

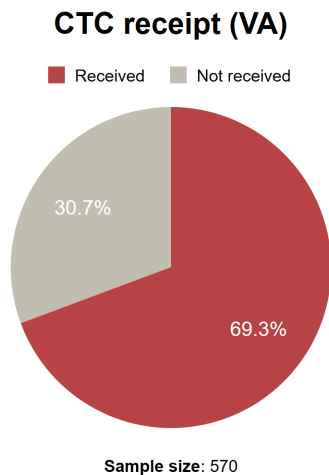
Evidence from Census Data

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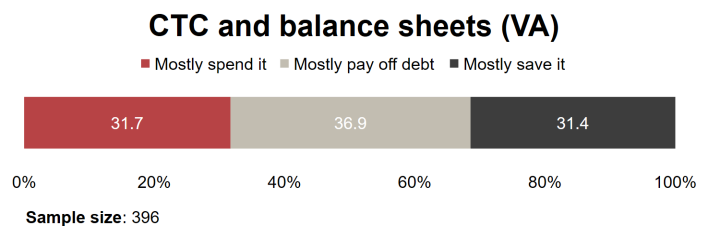
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of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

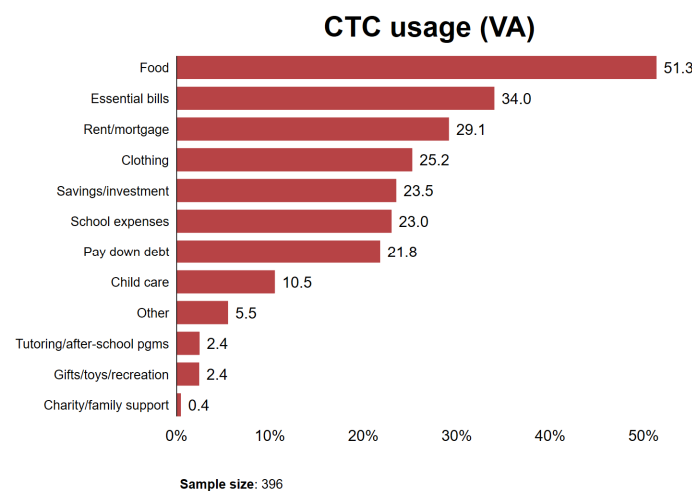
Key Finding 1: Almost 70% of eligible VA families received the CTC.



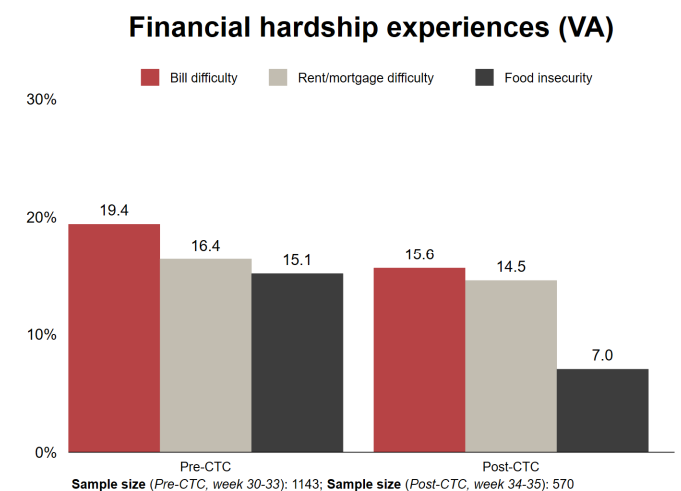
Key Finding 2: 37% of VA families reported mostly using their CTC to pay down debt, 32% mostly spent their CTC, and 31% mostly saved it.



Key Finding 3: The most common uses of the CTC payments among VA families were purchasing food for their family (51%), managing bills (34%), and paying their rent/mortgage (29%).

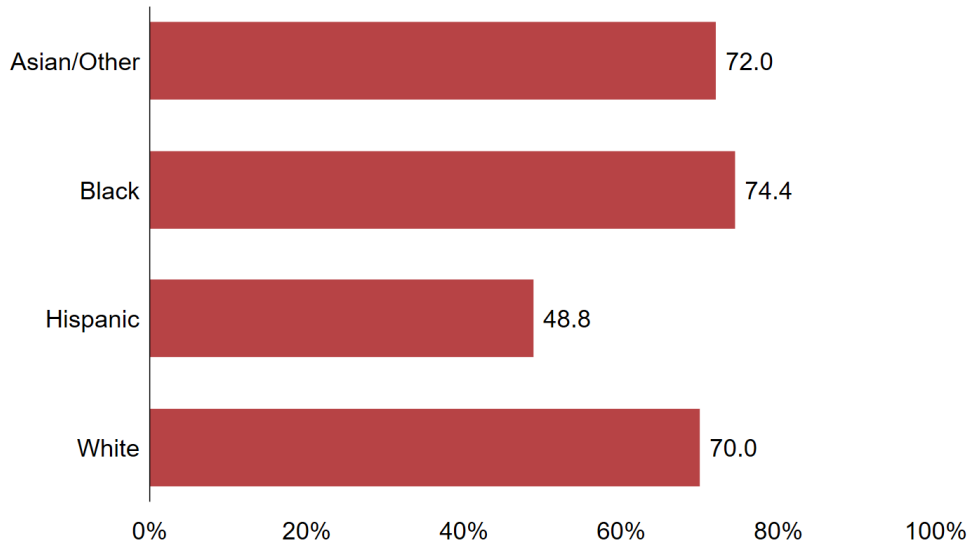


Key Finding 4: Eligible VA families experienced lower rates of food insecurity, trouble with bills, and difficulty with housing payments after CTC payments went out.



Key Finding 5: Black VA families were most likely to receive CTC payments (74%), followed by Asian families and those of other races/ethnicities (72%) and white (70%) families. Fewer than half of Hispanic VA families received the CTC.

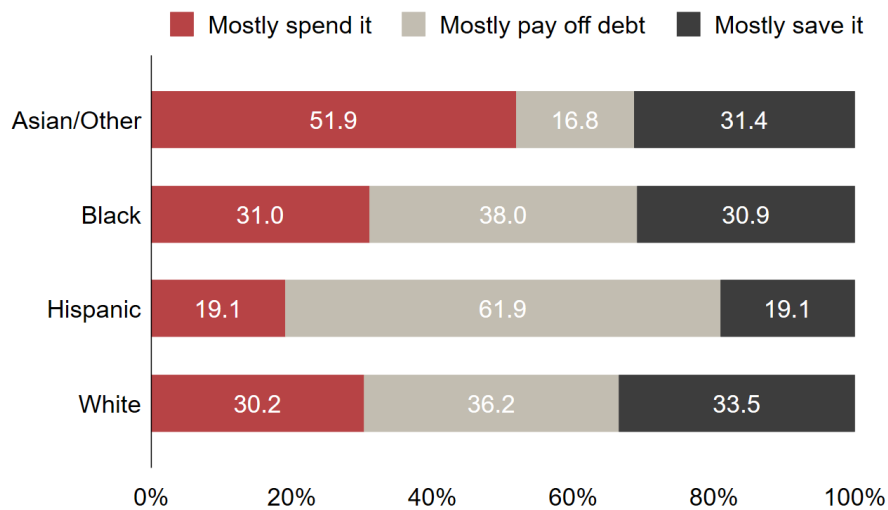
CTC receipt (VA), by race/ethnicity



Sample size: 568

Key Finding 6: Black and white VA families reported using CTC funds in similar ways, while Hispanic families were much more likely to report using their CTC payments to mostly pay down debt and Asian/other families were more likely to report mostly spending the CTC.

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



Sample size: 396