
House-Passed Bipartisan Tax Bill's Child Tax Credit Expansion Would Help 16 Million Children in Low-Income Families

Statement of Sharon Parrott, CBPP President, on House passage of bipartisan tax bill including a Child Tax Credit expansion:

It is great news that the House passed, with a strong bipartisan vote, a tax bill with a Child Tax Credit expansion that would help about 16 million children in families with low incomes. The Senate should quickly pass this important legislation.

In its first year, the Child Tax Credit proposal would lift as many as 400,000 children above the poverty line and give more financial support to an additional 3 million children in families with incomes below the poverty line.

The poverty-reducing effects would increase over time: when the proposal is fully in effect in 2025, it would lift some half a million or more children above the poverty line and boost support for about 5 million children in families with incomes below the poverty line.

We must keep working toward a policy that provides the full Child Tax Credit to all children in low-income families, makes the credit larger, and provides it monthly. But this bill is our best hope this year of reducing child poverty.

It is deeply unfortunate that the Child Tax Credit expansion is paired with corporate tax breaks. On the upside, the package is paid for by clamping down on a business break that has become a target of abuse — a strong precedent as we move into the broader 2025 tax debate.

This bipartisan package is a good step forward and the Senate should act without delay to advance it to the President's desk.

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