

This table examines the potential reductions in the rate of child poverty under various reforms to the Child Tax Credit (CTC), as specified in the Build Back Better proposal from the U.S. House of Representative Ways and Means Committee as of September 13, 2021. In the proposal, the maximum CTC would amount to \$3,600 for younger children (under age 6) and \$3,000 for older children (ages 6 to 17) and be fully refundable from 2022 to 2025. After 2025, maximum credit amounts would revert to \$1,000 per child under age 17 (as is scheduled to occur under current law), but the credit would continue to be fully refundable. The proposal also re-instates credit eligibility for children with Individual Tax Identification Numbers (ITINs) from 2022 onward.

**Table 1. Potential Reductions in the Rate of Child Poverty Under Various Reforms to the Child Tax Credit**

	Baseline Child Poverty Rate	With Fully-Refundable \$3,600/\$3,000 CTC	Percent Change in the Child Poverty Rate	With Fully-Refundable \$1,000 CTC	Percent Change in the Child Poverty Rate
All children	13.6%	7.5%	-44.9%	12.7%	-6.9%
Black, non-Latino	23.7%	11.3%	-52.4%	21.8%	-8.2%
Latino	21.7%	11.8%	-45.4%	20.3%	-6.2%
Multiracial and all other groups, non-Latino	12.4%	7.4%	-40.5%	12.0%	-3.8%
White, non-Latino	7.0%	4.3%	-38.6%	6.5%	-7.9%

**Learn more about the Ways and Means Committee's Build Back Better proposal (as of September 13, 2021):**

*Ways and Means committee legislative text:*

[https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/SUBFGHJ\\_xml.pdf](https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/SUBFGHJ_xml.pdf)

*Description Of Subtitle H – Social Safety Net: Budget Reconciliation Legislative Recommendations:*

<https://www.jct.gov/CMSPages/GetFile.aspx?guid=b7f38d9b-e454-4a26-a093-aeca4ab98ef9>

*Section-by-Section of the Committee Print for Subtitles F, G, H, and J:*

<https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/Section%20by%20Section%20Subtitle%20F%2C%20G%2C%20H%2C%20%26%20J.pdf>

**Note:** Results in reference to 2018 and rely on 2019 CPS-ASEC data. These results are conditional on children with Individual Tax Identification Numbers (ITINs) receiving the credit, as proposed by the Ways and Means committee, and all eligible children receiving the credit. Due to rounding, some totals may not correspond with the sum of the separate figures. Data retrieved from IPUMS-CPS, University of Minnesota, [www.ipums.org](http://www.ipums.org).

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