

# 2021 Child Tax Credit: Using CTC Data in Your Outreach Plan

## *Data Reference Guide*

*Presented by the Center on Budget and Policy Priorities' Get It Back Campaign*

**November 18, 2021**

### **Presenter's Contact Information**

- Ashley Burnside, Policy Analyst  
Income and Work Supports Team, Center for Law & Social Policy (CLASP)  
[aburnside@clasp.org](mailto:aburnside@clasp.org)
- Claire Zippel, Senior Research Analyst  
Center on Budget and Policy Priorities (CBPP)  
[czippel@cbpp.org](mailto:czippel@cbpp.org)
- Deborah Stein, Network Director  
Partnership for America's Children  
[dstein@foramericaschildren.org](mailto:dstein@foramericaschildren.org)
- Richard Auxier, Senior Policy Associate  
Urban-Brookings Tax Policy Center (TPC)  
[rauxier@urban.org](mailto:rauxier@urban.org)
- Get it Back Campaign Team (Roxy Caines, Janne Huang, and Christine Tran)  
Center on Budget and Policy Priorities  
[eitcoutreach@cbpp.org](mailto:eitcoutreach@cbpp.org)

### **Child Tax Credit (CTC) Expansion Overview**

- Under the American Rescue Plan, **almost every family can receive money from the Child Tax Credit**. This includes families:
  - That haven't filed a tax return
  - Without recent income
  - With a child with a Social Security number, even if they do not have one themselves
- Qualifying households will receive:
  - \$3,600 for each child under 6 years old
  - \$3,000 for each child between 6 and 17 years old

- Families can receive half of the payments in 2021 and the other half in 2022 after filing a tax return. For families that missed out on 2021 advance payments, they can still get the full CTC amount by filing a tax return in 2022.
- The credit is not a loan. It does not impact public benefits.

### **CTC National Survey Findings and Implications for CTC Outreach (Ashley Burnside, CLASP)**

- Conducted two national surveys
  - July Survey: Conducted prior to the distribution of advance payments. 1,031 respondents
  - October Survey: Conducted the second and third weeks of October. 1,012 respondents
- July Survey findings:
  - Hispanic respondents were: less likely to file for the CTC in 2019 or 2020, and to get stimulus check
  - Respondents with lower educational attainment were: less likely to file for the CTC and know about advance payments
  - Nearly 2 in 5 respondents seek help with taxes, especially Hispanic respondents
  - Respondents rely heavily on tax preparation companies to help with filing
  - 90% of respondents have access to the Internet through cell phones
  - Significant reason for not claiming the CTC was that: the other parent claims the tax credit
- July Survey's implications for outreach:
  - Gaps in awareness and access to the CTC for certain populations
  - Helpful to create resources for mixed-custodial families
  - Partnering with tax preparation companies and assistance agencies may be an effective way to help CTC-eligible families claim the credit
  - Mobile-friendly tools are important when filing tax returns
- October Survey findings:
  - Hispanic respondents were less likely to claim the CTC on their tax return and receive advance payments
  - The largest share of respondents learned about the CTC through an IRS letter
  - The #1 reason respondents didn't file for the CTC is because they don't think they are eligible
- October Survey's implications for outreach:
  - Letters from government agencies, TV, and social media are key outreach methods
  - Tax filing outreach will be critical
    - Filing a 2021 tax return is necessary to get the rest or all of their CTC
    - Critical to notify families of their CTC eligibility and push back against misconceptions
    - Some groups (mixed-status families) will need more help filing a tax return
    - There is confusion from respondents about not getting the advance payments
- **Resources:**

- [Findings from July Survey from CLASP](#)
- [Findings from October Survey from CLASP](#)

### **Data on the Impact of Monthly Advanced Child Tax Credit Payments (Claire Zippel, CBPP)**

- Advanced CTC Payments by the Numbers
  - 61 million children reached by the fifth payment
  - \$77 billion total payments disbursed since July
  - \$430 average payment
- Early signs of success
  - Food insufficiency fell significantly among families with children after advance payments
  - Families with low incomes spent payments on:
    - Household expenses: food, rent/mortgage, utilities, clothing, car payments, childcare
    - Investments in the future: educational expenses, paying debt
  - As school began, parents spent CTC on school-related expenses
- Resources:
  - State data on advance payments
    - [Payments by month from Treasury Department](#)
    - [Use of Payments from CBPP](#)

### **Focus Groups w/ Non-Filers and Service Providers (Deborah Stein, Partnership for America's Children)**

- Focus group study (report forthcoming in December):
  - Goal: identify barriers to getting the CTC and effective messaging to encourage filing
  - Participants didn't file 2020/2019 taxes AND didn't claim stimulus checks
  - Eight focus groups including non-filers and service providers
- Need to talk about the CTC:
  - People are not aware of the CTC at all
  - People are not aware of the expansion
  - People believe they are not eligible
- Two barriers across all groups:
  - People are afraid they'll need to pay it back
  - People are afraid that if they didn't file in the past, they don't get the credit (credit will be used to pay back taxes). They are afraid they will get into trouble for not filing.
- Other common concerns:
  - Fear they will lose other benefits
  - Belief they are not eligible because they get other public benefits
  - Some don't know how to file or that they can get free help
- Mixed immigration status families and non-parental caregivers have specific concerns about CTC
- Service providers have specific concerns about doing CTC outreach
- Some messages that work:
  - Address protection from repayment

- CTC can help cover debts owed and allow you to receive full refund in the future
- CTC won't impact other public benefits
- Information on how to claim the credit and what information they need to provide
- Annual benefit of the CTC and that the CTC can be claimed for all children
- Eligible for the CTC even if don't pay taxes or have no work income
- Messages that didn't work:
  - Reducing poverty
  - Long-term messaging on how CTC would make children healthier, do better in school, graduate, earn more as adults
- Where they go for information
  - IRS website – link to specific pages in materials
  - They trust government agencies – CTC outreach through state agencies is a good strategy
- Resources:
  - [Newsletter sign-up for outreach information](#)

### **Where Are Families Most at Risk of Missing Out on the Expanded CTC (Richard Auxier, TPC)**

- Tax Policy Center put together an interactive map to show where children are at risk of missing out on the CTC
  - Map shows Treasury's zip code data of children that meet 2 criteria:
    - Appear on health insurance tax forms (Form 1095) *AND*
    - Did not appear on a 2019 or 2020 tax form
- Map is helpful to serve as a guide where outreach efforts should be dedicated
  - Shows share of children and number of children by state
  - Shows zip code where they are located
  - Shows top 50 zip codes with the highest number of children at risk of missing CTC
  - In some states that didn't expand Medicaid, children of non-filers do not show up because they aren't on health insurance
- Resources:
  - [Map: Where Children Are At Risk of Missing Out on the Expanded CTC](#)
  - [Blog Post: Where Are Families Most At Risk Of Missing Out On The Expanded Child Tax Credit?](#)

### **Q&A**

1. Is information available for Indigenous and Native American families in the CTC National Surveys?
  - a. Characteristic data only broke down a few different categories of race: Black, White, Hispanic, Other, and Multi-racial. There were not enough Indigenous respondents to break down by Indigenous families.
2. Will there be social media and flyer toolkits available, or do we have to create our own marketing materials?

- a. You can use the Get It Back Campaign's outreach materials: [2021 Child Tax Credit Outreach Resources](#)
  - b. We will be making outreach materials next year for the EITC and updating the CTC materials
3. Are there reasons why a zip-code may not be listed in a state in the interactive map?
  - a. In certain areas, there are just too few people there
4. Is there any research that highlights the mental strain that non-filers experience because they are afraid of the IRS?
  - a. We will have to stay tuned for information regarding that research
  - b. Some related research:
    - i. [The Center for Taxpayer Rights has featured some information on administrative burden that includes psychological cost](#)
5. Did any respondents report that they heard about the CTC from SNAP, Medicaid, or other public benefit agencies?
  - a. For that question in the survey, we provided 14 different options. One of those options was local social service offices, which is the closest option related to those government agencies. Very few respondents selected that option, around 25 respondents. The most common ways people heard about the CTC were through the IRS letter, the tax form itself, or informal channels like T.V., social media, and friends or family. We also tried to include different kinds of community organizations, like schools, community centers, childcare providers, and grocery stores, but that also wasn't as common.
6. Of those 14 options, was there an option for people who heard about through their healthcare team?
  - a. Yes. We had an option that was health clinic, but that option didn't get many responses (about 1% of responses).
7. What about messaging to foster parents? Are there any materials or research pertaining to foster parents?
  - a. Partnership for America's Children will try to create outreach materials for this population.
  - b. JBAY has resources on California's state EITC for foster youths transitioning out of the system, including answering questions they made have as they are filing a tax return.
    - i. [Resources from JBAY](#) (webinars, guides, and reports)
    - ii. [CalEITC Social Media Toolkit](#) from JBAY (information and resources about the CalEITC, Young Child Tax Credit, and Federal Earned Income Tax Credit)
  - c. In the interactive map, there are clusters of children in places where there are not many residential homes. These places are administration buildings that work with the foster system. These children's locations are being lifted as these administrative addresses and not their actual addresses. There might be addresses or places on the map where you think you can contact these people, but it'll lead you to a different answer.
8. The poorest zip codes per Adjusted Gross Income (the bottom 5% per nationwide) don't show up on the map, is there anything you can share about that?

- a. They are not being excluded because they have relatively low Adjusted Gross Incomes, they are being excluded because they have relatively low populations. High-income or low-income communities that have low populations are not going to show up on the map. That's why we provided the top 50 zip codes with the largest number of children at risk of missing out on the CTC. There is a [blog post](#) that discusses the top 50 zip codes and the characteristics they all share, such as high-levels of Latinx households and immigrant households. These are things that can help you understand where you might want to look, even if that zip code is not included in our data.
9. Do you have to pay the CTC back during tax season as income?
  - a. The CTC is not counted as income. [For more information about the CTC, look at our CTC FAQ.](#)
10. What is the possibility of extension for the CTC advance payments or increased CTC after the current year?
  - a. What's currently in the Build Back Better Act is an extension of the CTC advance payments and increased CTC amount for one more year. The full refundability aspect of the CTC, which makes the CTC available to the lowest-income families, has a chance to become permanent.
  - b. As the bill is currently written, instead of people claiming it half in advance and half when they file their tax return, they will get all of the CTC throughout the year in monthly payments. If it passes, it will be worth taking some time to read exactly how it will be distributed because that will impact the language of your outreach tools. Some populations, like children with ITINs, may be eligible for the 2022 CTC, who weren't eligible for the 2021 CTC.
11. Will you share the messaging research and the findings from the focus groups and other messaging work you've done with Lake Research?
  - a. We expect to get Lake Research's written summary the first week of December, and will go over it with them before we send it out. We will send it out to the Get It Back Campaign to send to the people who registered for this webinar. We may have the capacity to do a formal presentation.
12. Are there translated outreach materials?
  - a. The Get It Back Campaign will have some sample social media posts in Spanish, in addition to the flyer and couple of other resources. If there are specific requests in terms of languages or certain graphics, you can reach out to us at [eitcoutreach@cbpp.org](mailto:eitcoutreach@cbpp.org).