



POLICY

Child Tax Credit Increased Food Security, Stable Housing among Young Children, but Many Eligible Families Didn't Receive It

As Congressional Republicans are poised to pass a megabill that would strip the Child Tax Credit from millions of children and leave behind those with the lowest incomes, new findings underscore the need to remove minimum income requirements from this tax credit and extend the benefit to all immigrant families.

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BY JILLIAN MCKOY

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In 2021, Congress temporarily boosted the value of the Child Tax Credit (CTC) and expanded the maximum credit, for the first time, to families with no or little income. This policy change cut child poverty nearly in [half](#). However, its expiration pushed many families with children back into poverty, [reversing](#) the gains the US pandemic-era policy achieved by helping low-income families meet basic needs.

A new study led by Boston University School of Public Health and Drexel University Dornsife School of Public Health provides the first comprehensive assessment of the health and economic benefits of the expanded CTC to families with young children—as well as the barriers that prevented many eligible families from accessing this critical support during a time of harsh economic instability.

[Published in *JAMA Network Open*](#), the study found that parents/caregivers who received the CTC were less likely to experience anxiety, food insecurity, and unstable housing, as those who were previously behind on rent were more likely to be able to resume payments.

Previous studies have demonstrated a connection among the expanded CTC, [food security](#), and [housing stability](#) during the COVID-19 pandemic, but this longitudinal study of more than 5,800 parent-child dyads assessed families' health and economic circumstances over time—before and during the pandemic—focusing on caregivers with very young children. The majority of children of caregivers in the study group were under two years old before the pandemic, and the rest of the children were under four years old, compared to the under-18 age group assessed in similar research.

The study also evaluated contextual factors related to receiving the CTC, including caregivers' banking and tax filing status. Caregivers who received the CTC were more likely to have a bank account and have previously filed taxes.

“Having longitudinal information on all of these different parts of the puzzle shows the positive cascade of outcomes associated with receiving the CTC, while also highlighting key factors that may have led some families to miss out on this benefit,” says study lead and corresponding author [Stephanie Ettinger de Cuba](#), research associate professor of health law, policy & management and executive director of [Children’s HealthWatch](#). “Food security, stable housing, and better caregiver mental health are all things that contribute to a better health outlook for children; we know that parents’ mental health is intertwined with young children’s health and cognitive and social development. Our finding that linked bank accounts and previously filed taxes to a greater likelihood of receiving the CTC is significant and unique, especially in combination with demonstrating such important mental health and economic stability benefits flowing CTC receipt.”

These findings published as the Trump administration’s massive [tax and spending bill](#) narrowly [passed](#) a Senate vote on Tuesday, July 1, and is awaiting a final vote in the House. The megabill has come under fire for [bolstering](#) tax benefits for businesses and higher-income households, while restricting health insurance, food assistance, and other public aid programs among lower-income families. The bill includes an increase in the maximum CTC amount—but neither the House nor Senate versions of [the bill](#) extend this benefit to lowest-earning families with children and, if passed, many families that were once eligible will no longer meet CTC requirements.

The 2021 CTC expansion [temporarily](#) increased the maximum credit amount, providing an estimated 92 percent of US households up to \$3,000 per child ages 6 to 17 and up to \$3,600 per child under age 6 from July 2021 to December 2021, with half of the credit amount distributed as advance monthly payments. This relief generated the largest one-year drop in poverty on record, but when Congress [failed to renew the](#) expanded benefits at the end of 2021—and reverted to its prior rules, which left out the lowest-income families—more than five million children fell back into poverty.

Under the Senate version of the megabill, the CTC would increase permanently to \$2,200, compared to the House version, which proposes a \$2,500 tax credit that would revert to \$2,000 after 2028. Neither bill would benefit low-earning families with no tax liability, and both versions limit eligibility to caregivers who have a Social Security number.

“The proposed changes to the CTC will strip eligibility from at least 2.6 million US citizen children in mixed-immigration status families,” says study senior author Félice Lê-Scherban, associate professor of epidemiology at Dornsife School of Public Health, whose previous research with Ettinger de Cuba found that immigrant families disproportionately experienced economic hardship during the pandemic. “Losing access to the CTC will deprive children of additional income that supports health and well-being, and push families into poverty. Furthermore, the modest proposed increases to the maximum CTC won’t reach the 20 million children currently left out of the full credit because their families don’t earn enough to require filing taxes.”

The new study utilized caregiver survey data from 2018-2021. Compared to caregivers who did not receive the expanded tax credit, a greater proportion of CTC recipients were white, had an active banking account, filed taxes the previous year, had private health insurance, and did not participate in the Supplemental Nutrition Assistance Program (SNAP).

The findings underscore how economic stability is vital to the physical and mental health of entire families, but particularly young children, as previous research has shown that a lack of access to adequate food and stable housing can lead to a host of poor health outcomes, including child developmental delays and hospitalizations. Potential increases in food insecurity rates among families ineligible for the proposed CTC would only be compounded by the bill’s massive changes to SNAP, which would shift much of the program’s costs to the states.

“Proposed changes would ask states to shoulder a varying amount of the nutrition benefit costs—something no state has budgeted for,” says

Ettinger de Cuba. “Unable to absorb the cost, this permanent change will force states to drop out of the program or limit benefits and eligibility, leaving struggling households at severe risk of food insecurity and all the resulting harmful consequences for physical and mental health, academic and workforce well-being and success.” Proposals to expand work requirements to older adults and families with children will also cut off these families from nutrition assistance through increasing paperwork burdens, she adds.

To create effective and equitable health and economic stability, a permanent CTC policy should remove minimum income requirements and expand eligibility to all children, the researchers say. Communication about eligibility is also essential, as separate research by the authors indicates that eligible families encountered logistical barriers and confusion about tax-filing requirements, which prevented them from receiving the CTC. Distrust in the government among people in historically marginalized communities also contributed to a lack of CTC receipt.

“The government and many community organizations conducted extensive outreach during the pandemic to let people know about the expanded CTC,” Ettinger de Cuba says. “However, in related research we’ve conducted with caregivers, it wasn’t clear that it was a temporary benefit, and people felt angry that the benefits were taken away. Tailored communication about the nature of the benefit and the logistics of receiving it could improve participation among key groups, including those who do not have a bank account and, should the CTC be permanently expanded, those with too little income to file taxes.”

The researchers identify four recommendations to rebuild this trust: reestablishing the privacy wall between the IRS and the rest of the government; establishing an atmosphere of respect and dignity for immigrant communities; investment in IRS staffing to ensure responsive customer service and a user-friendly non-filer portal; and thoughtful, culturally aware, and sustained communication with communities.

At SPH, the study was coauthored by [Sharon Coleman](#), senior project manager at the Biostatistics and Epidemiology Data Analytics Center.

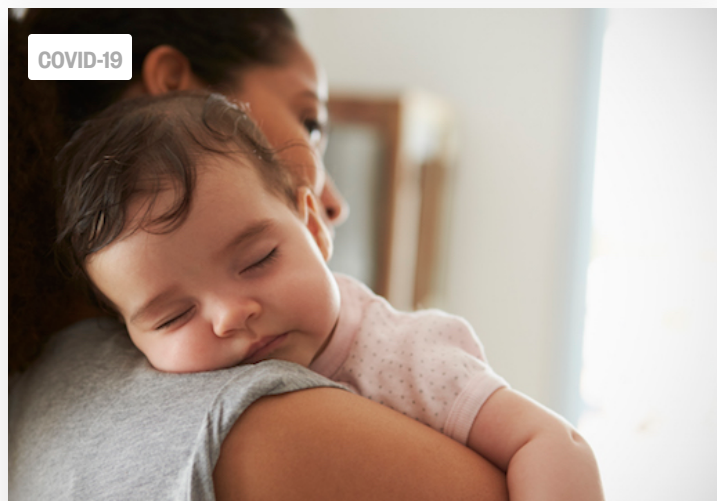
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