

# Food insufficiency in families with children increased after expiration of Child Tax Credit monthly payments

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**Summary:** Advance Child Tax Credit payments that distributed monthly cash payments for children were associated with a 26% reduction in food insufficiency in households with children. After the advance CTC expired in February, there was a 12% increase in food insufficiency in households with children.

## Problem: Continuing economic hardship and food insufficiency

The COVID-19 pandemic and inflation continue to cause high levels of food insufficiency, defined as sometimes or often not having enough to eat.<sup>1,2</sup> Based on nationally representative Household Pulse Survey data from February, 11% of households experienced food insufficiency, more than triple pre-pandemic levels.<sup>3,4</sup> **Food insufficiency is especially high in households with children, with 14% reporting food insufficiency in February 2022.**

Reducing food insufficiency is key to child health, education, and well-being. Decades of research shows children and adults who do not have enough food to eat have worse health and educational outcomes, as well as increased avoidable health care and other costs.<sup>3,5,6</sup> Experiencing even short periods of inability to afford enough food is detrimental to child and family health and can have a lasting impact on a growing child.<sup>7,8,9</sup>

## The Child Tax Credit

The advance Child Tax Credit (CTC) payments were a near-universal benefit that distributed monthly cash payments to families with children under age 17 in the United States (US) following a temporary expansion of the credit passed under the American Rescue Plan Act. Eligible families received up to \$300 per child monthly for 6 months, beginning in July 2021 and extending through the final payment made in December 2021 for the period through early January 2022. As Congress turns its attention to the next reconciliation package, there is an opportunity to reinstate the expanded CTC monthly payments.

Implementing an expanded CTC without exclusions due to work or immigration status will best reach children in families with the greatest need, to the benefit of all children and society.<sup>10,11,12</sup> Work requirements impose a high administrative burden likely to prevent the CTC from reaching children in the lowest income families.<sup>10,13,14</sup> Similarly, extending the credit to immigrant children will increase health equity and reduce hardships.<sup>15,16</sup>

## The Child Tax Credit and Food Insufficiency

Our prior research using data from the nationally representative Household Pulse Survey showed the CTC was linked to a 26% decrease in food insufficiency among households with children.<sup>17</sup> This finding was consistent with those of other researchers.<sup>18</sup>

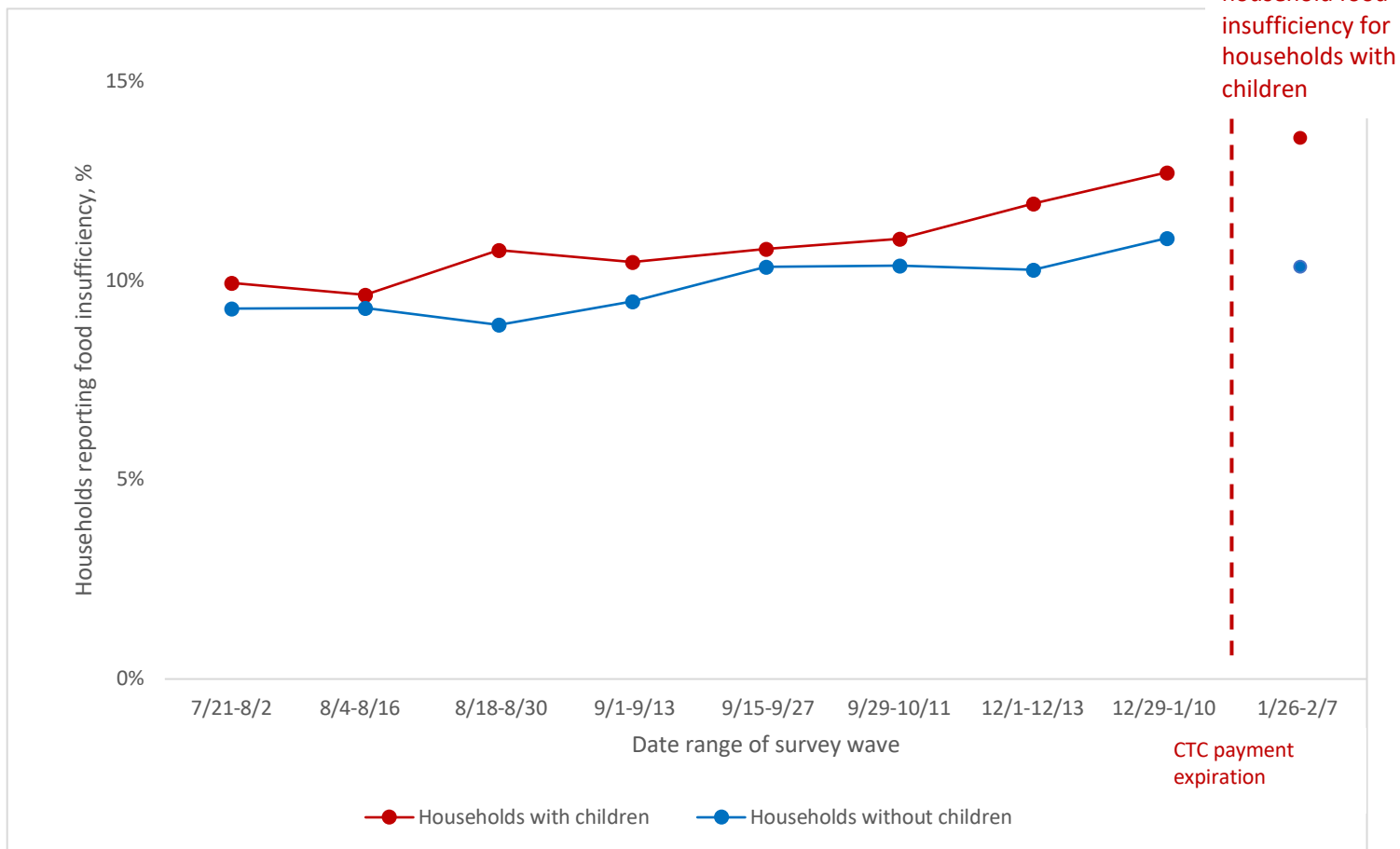
New analyses show that after the CTC monthly payments expired, families with children reported a 12% increase in food insufficiency. This finding is consistent with other research demonstrating significant increases in poverty following the lapse in payments.<sup>19</sup>

## Conclusions

- The pandemic and inflation continue to cause economic hardship, including due to missed work.

- CTC monthly payments were associated with reduced food insufficiency among families with children, averting hardship that may have lifelong effects on children’s health, education, and well-being.
- This research supports extension of the advance CTC payments as an evidence-based policy for reducing food insufficiency, supporting child health, education, and contributions to society.
- **There is an urgent need to restart the expanded CTC monthly payments to families.**

**Figure: Time trends in household food insufficiency before and after expiration of the advance CTC payments, among households with children compared to households without children**



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