



United States Representative

**ROSA DELAURO**

Representing the Third District of Connecticut

## *The American Family Act*

The expanded and improved Child Tax Credit (CTC) that was signed into law as part of the *American Rescue Plan Act*, was the largest tax cut for working families in generations. The expanded CTC reached more than 61 million children and lifted nearly 4 million out of poverty in 2021 alone. The monthly delivery of the CTC payments helped families get ahead and provided financial security.

To help families tackle rising costs, U.S. Representatives Rosa DeLauro (CT-03), Suzan DelBene (WA-01) and Ritchie Torres (NY-15) have reintroduced the *American Family Act* to ensure the expanded and improved, monthly Child Tax Credit is made permanent.

The American Family Act:

- Provides the full CTC to the “left behind” children by making the credit fully refundable.
  - By removing a rule limiting the refundable portion to \$1,400 and by removing the earnings requirement, which previously excluded one-third of children from the full credit. Because of this change, children in families that were disproportionately left behind because of the earnings requirement - including Black and Latino children, children in single-parent families, rural families, children in larger families, and families with young children – were eligible for the CTC for the first time ever.
- Continues the Young Child Tax Credit (YCTC) of \$300 per month (\$3,600 per year up from \$2,000 per year) for children under 6 years of age.
- Expands the maximum CTC to \$250 per month (\$3,000 per year up from \$2,000 per year) for kids ages 6 to 17.
  - The current CTC only allows a credit for children under the age of 17.
- Provides for monthly delivery of the credit so families have access to the credit as bills arrive.
  - Starting in July 2021 and by December 2021, the Treasury Department and the Internal Revenue Service (IRS) distributed nearly \$93 billion dollars in CTC payments to families. The Treasury Inspector General for Tax Administration found the IRS accurately sent 98 percent of monthly Child Tax Credit payments.
- Extends the expanded and improved CTC to the United States Territories.