

How are Alaska families using their Child Tax Credit payments?

Evidence from Census Data

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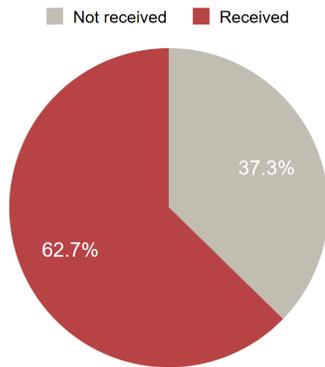
The temporary expansion of the Child Tax Credit (CTC) is projected to cut American child poverty by more than half. The CTC expansion provides families with \$3,600 for every child in the household under the age of six, and \$3,000 for every child between the ages of six and 17. The vast majority of U.S. families with children are eligible for the CTC.

In this research brief, we use data from the Census Household Pulse survey to examine how a representative sample of Alaska families making less than \$150,000 a year report using their CTC payments. This survey was administered between July 21st and August 16th, covering the period in which the first two CTC payments were deposited in families' bank accounts.

Key Finding 1: 63% of eligible AK families received the CTC.

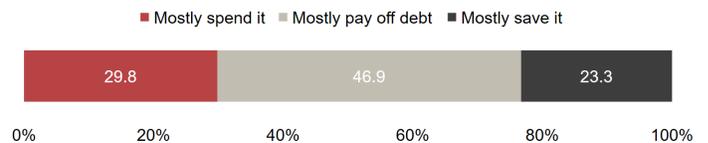
Key Finding 2: 47% of AK families reported mostly using their CTC to pay down debt, 23% mostly saved their CTC, and 30% mostly spent it.

CTC receipt (AK)



Sample size: 495

CTC and balance sheets (AK)

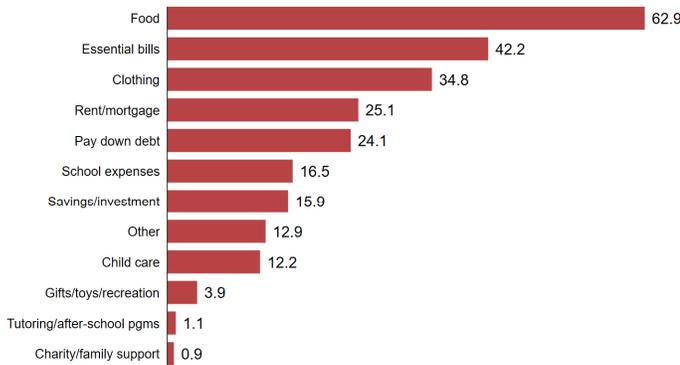


Sample size: 315

Key Finding 3: The most common uses of the CTC payments among AK families were purchasing food for their family (63%), managing bills (42%), and paying for clothing and other essentials for their children (35%).

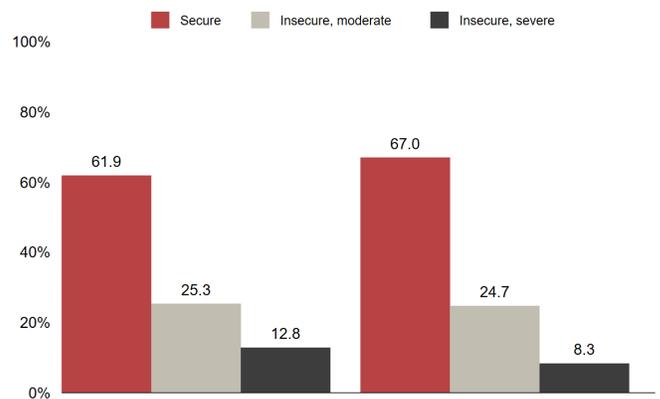
Key Finding 4: Eligible AK families experienced lower rates of moderate and severe food insecurity after CTC payments went out.

CTC usage (AK)



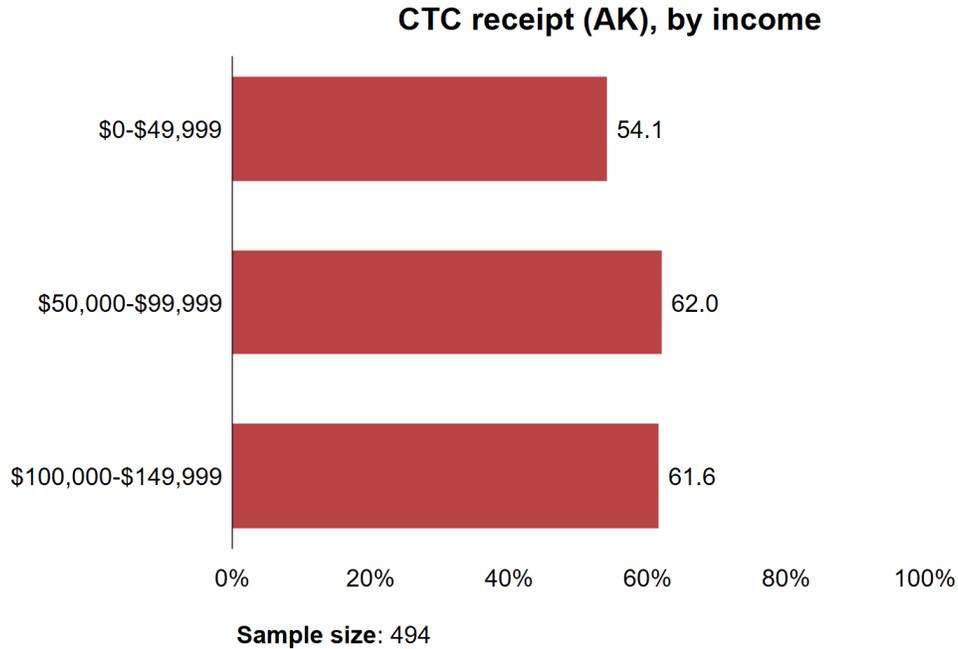
Sample size: 316

Food insecurity experiences (AK)



Sample size (Pre-CTC, week 30-33): 1035; Sample size (Post-CTC, week 34-35): 495

Key Finding 5: Families of all income categories in AK were similarly likely to receive the CTC (between 54% and 62%).



Key Finding 6: Families in the middle income category were slightly more likely to use their CTC funds to pay down debt relative to other groups, while those in the lowest income category were more likely to report spending their CTC payments.

