How are Mississippi families using their Child Tax Credit payments?
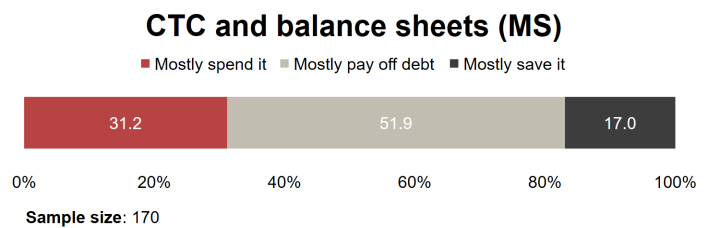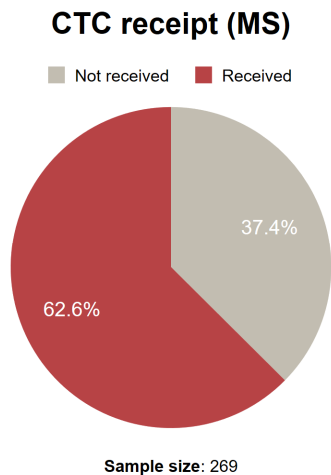
Evidence from Census Data

Stephen Roll, PhD; Yung Chun, PhD; Laura Brugger, MA; Leah Hamilton, PhD

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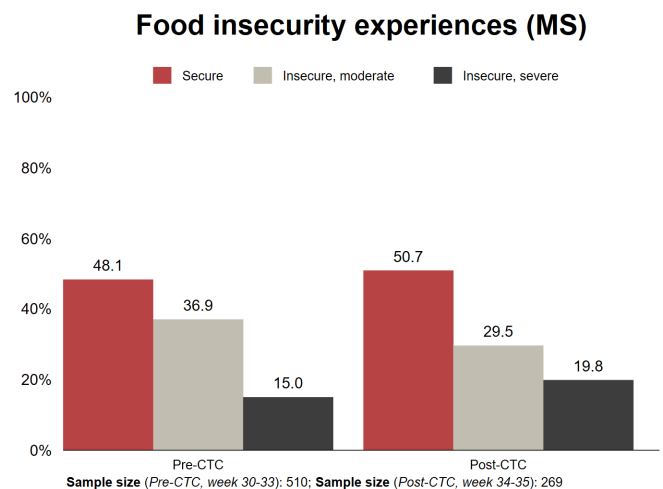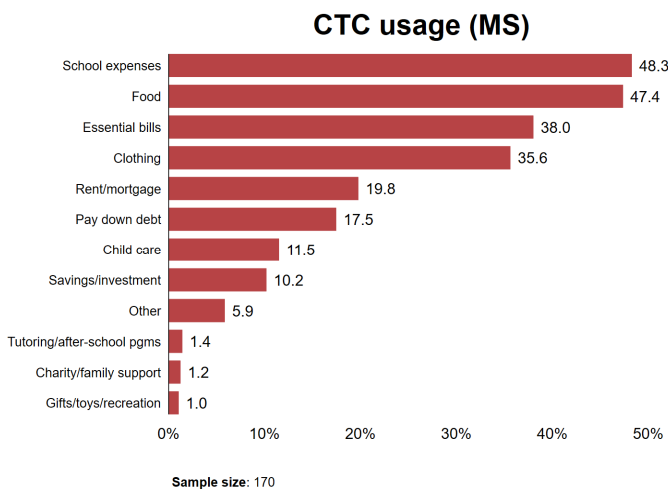
Key Finding 1: 63% of eligible MS families received the CTC.

CTC receipt (MS)

Sample size: 269

Key Finding 2: 52% of MS families reported mostly using their CTC to pay down debt, 17% mostly saved their CTC, and 31% mostly spent it.

CTC and balance sheets (MS)
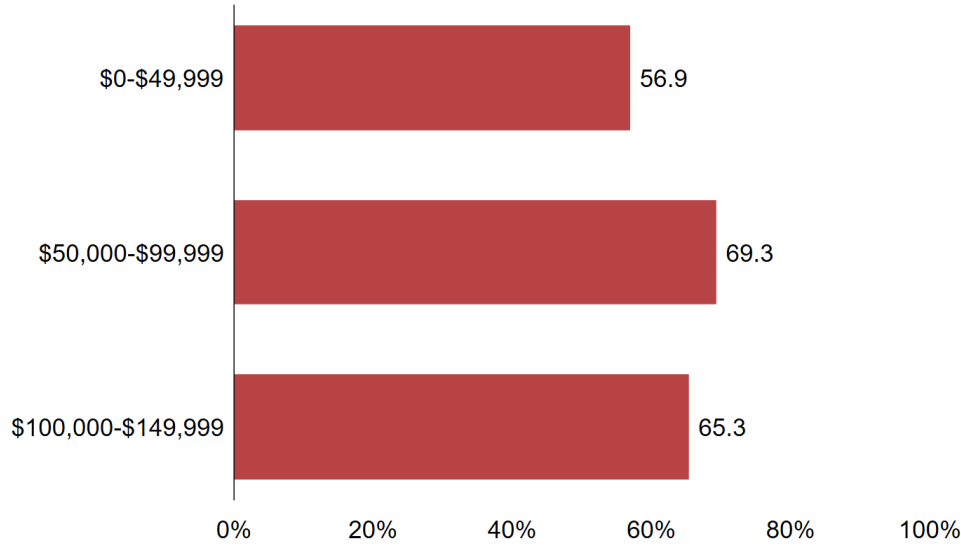

Sample size: 170

Key Finding 3: The most common uses of the CTC payments among MS families were school expenses (48%) purchasing food for their family (47%), and managing bills (38%).

CTC usage (MS)

Sample size: 170

Key Finding 4: Eligible MS families experienced slightly higher rates of overall food security after CTC payments went out, though severe food insecurity increased as well.

Food insecurity experiences (MS)

Sample size (*Pre-CTC, week 30-33*): 510; **Sample size** (*Post-CTC, week 34-35*): 269

Key Finding 5: MS families in the middle income category received the CTC at the highest rate (69%), followed by families in the highest income category (65%).
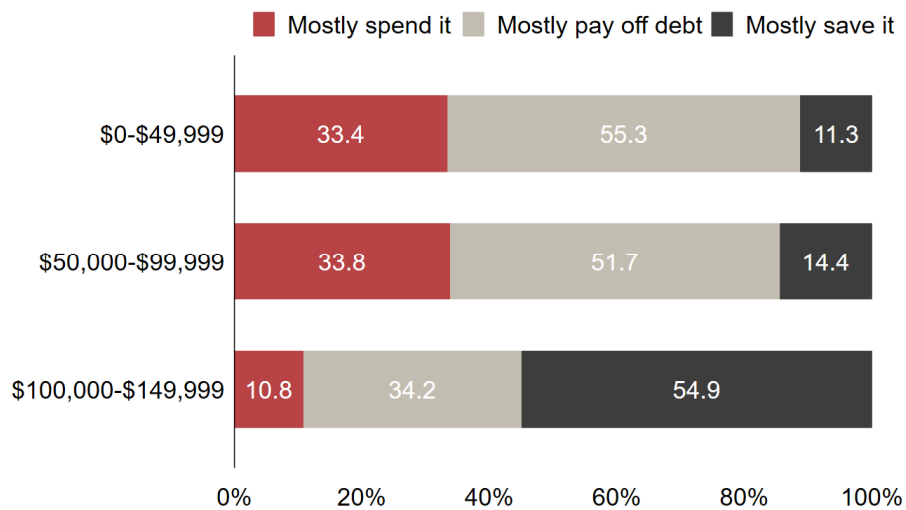
CTC receipt (MS), by income

Income	%
$0-$49,999	56.9
$50,000-$99,999	69.3
$100,000-$149,999	65.3

Sample size: 269

Key Finding 6: Majorities of MS families in the low and middle income categories used the CTC to mostly pay down debt, while a majority of those in the highest income category were mostly saved their CTC payments.

CTC and balance sheets (MS), by income

Legend: Mostly spend it | Mostly pay off debt | Mostly save it

Income	Mostly spend it	Mostly pay off debt	Mostly save it
$0-$49,999	33.4	55.3	11.3
$50,000-$99,999	33.8	51.7	14.4
$100,000-$149,999	10.8	34.2	54.9

Sample size: 170