How are Washington 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 Washington 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:** 60% of eligible WA families received the CTC.

**Key Finding 2:** 42% of WA families reported mostly using their CTC to pay down debt, 31% mostly saved their CTC, and 28% mostly spent it.

**Key Finding 3:** The most common uses of the CTC payments among WA families were purchasing food for their family (53%), managing bills (36%), and housing costs (35%).

**Key Finding 4:** Eligible WA families experienced lower rates of severe food insecurity after CTC payments went out.
Key Finding 5: WA Asian families or those of some other race/ethnicity and white families received the CTC at similar rates (63%-64%), followed by 55% of Black families. Fewer than half of Hispanic families received the CTC.

Key Finding 6: Usage of the CTC was similar across different racial/ethnic groups in WA, though Hispanic families were slightly more likely to mostly save or mostly pay down debt with the CTC.