



# MILLIONS OF U.S. FAMILIES ARE MISSING OUT ON THE CHILD TAX CREDIT

## Background

The benefits of the expanded and advance Child Tax Credit (CTC) implemented through the American Rescue Plan Act (ARPA) of 2021 have been [widely reported](#). **What has not been reported is that millions of eligible low-income families have not yet received their credit.**

The CTC is especially crucial for **ALICE** (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed) families with children – families who earn above the Federal Poverty Level, but not enough to afford the basics needed to live and work in the modern economy. Many of these ALICE households work in essential jobs but still struggle to make ends meet. [United For ALICE](#), founded and fueled by United Way of Northern New Jersey, is a driver of innovation, research, and action to improve life across the country for ALICE workers and families. Through the development of the ALICE measurements, a comprehensive, unbiased picture of financial hardship is now available for every state and county.

## How many Connecticut families are missing out?

**Nearly 5 million families in the U.S. are eligible but have not received the Child Tax Credit – including more than 48,861 eligible families in Connecticut.** According to a United For ALICE analysis of the Census Household Pulse Survey, 41% of U.S. households below the ALICE Threshold (households below the FPL and those that are ALICE) with children did not receive an advance Child Tax Credit payment between July and October 2021. **The rate is even higher in Connecticut at 45%.** These findings expand on the [IRS reporting](#) that there are millions of households whose children had not been claimed on a recent tax return or do not appear on recent tax records and who may still be eligible to claim the expanded Child Tax Credit.



[UnitedForALICE.org](https://www.UnitedForALICE.org) | [@United4ALICE](https://twitter.com/United4ALICE)

By securing racial and economic equity for ALICE we can improve life for all.



Since most ALICE families are eligible for the full CTC amount (\$3,000 per child aged 6–17 and \$3,600 per child aged 5 and under), **at least \$14 billion could still be accessed by the families struggling the most – including more than \$147 million in Connecticut.**

## Families Not Receiving the Child Tax Credit by Income and Amount

	Families with Children Below ALICE Threshold <sup>1</sup>	Not Receiving CTC <sup>2</sup>		\$ Amount Unclaimed (estimate) <sup>3</sup>
		Number	Percent	
<b>Connecticut</b>	108,580	48,861	45%	\$147 million
<b>United States</b>	12 million	5 million	41%	\$14.8 billion

<sup>1</sup> United For ALICE, ALICE Threshold, 2019

<sup>2</sup> United For ALICE analysis of Census Household Pulse Survey, July–October 2021: In the last 4 weeks, did you or anyone in your household receive a "Child Tax Credit" payment, that is an advance payment from the expansion of the child tax credit as part of the Federal Government's 2021 American Rescue Plan? Please report "yes" if you received the payment as a paper check or as a direct deposit.

<sup>3</sup> Estimate calculated by the number of families times \$3,000

<sup>4</sup> Metro NYC is the New York-Newark-Jersey City, NY-NJ-PA Metro Area

## How ALICE families can claim the Child Tax Credit

It's not too late: If families file their taxes by April, they can receive the credit in a lump sum. And there is a well-established network of qualified free tax preparers across the county who can help these families access the Child Tax Credit, as well as the Earned Income Tax Credit (EITC) and the Child and Dependent Care Credit. What is needed is even greater awareness of the CTC and other credits, and the options and resources available to claim them.

To access VITA (Volunteer Income Tax Assistance) free tax preparation and filing services, [click here](#).

## For more information

More data and resources are on our website: [UnitedForALICE.org](https://www.unitedforalice.org)

- See ALICE data for every county in the [country](#) and [Connecticut](#)
  - Learn about the impact of the pandemic on ALICE families in [The Pandemic Divide: An ALICE Analysis of National COVID Surveys](#) and other resources on the ALICE and COVID-19 webpage
  - Use the [ALICE Wage Tool](#) to explore wage levels by geography and occupation

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