

Opportunity Wisconsin: WPR - 1 month after child tax credits expanded to more families, food insecurity drops 24 percent

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MADISON, Wis.—In case you missed it, [reporting today](#) from Wisconsin Public Radio details that, *“In the month since families began receiving the expanded child tax credit, national data from the U.S. Census Bureau’s Household Pulse Survey showed a drop in the number of households with children that reported insufficient food or trouble paying bills.”*

The American Rescue Plan, [which U.S. Senator Ron Johnson vehemently opposed](#), is projected to cut child poverty in the United States in half through an expansion of the Child Tax Credit, which will lift over 46,000 Wisconsin children out of poverty. The new tax cuts are delivering up to \$3,600 annually per child to the families of over 1.1 million Badger State children.

[Read more about how the American Rescue Plan helps Wisconsin families in this report from Opportunity Wisconsin.](#)

We’re calling on Senator Johnson to start supporting policies that help Wisconsin families and the Badger State.

[WPR: 1 Month After Child Tax Credits Expanded To More Families, Food Insecurity Drops 24 Percent](#)

- **In the month since families began receiving the expanded child tax credit, national data from the U.S. Census Bureau’s Household Pulse**

Survey showed a drop in the number of households with children that reported insufficient food or trouble paying bills.

- The Census surveyed families just before and just after the first payments arrived, and found a 3 percentage point decline in food insufficiency and a 2.5 percentage point decline in difficulty paying bills.
- According to data from KidsCount, a data center that tracks child well-being in the U.S., 8 percent of households with children in Wisconsin didn't have enough food sometime during the week from early June to early July, and 27 percent had trouble covering household expenses during that period. The expanded child tax credit was distributed beginning July 15. About 35 million households have already received the credit, which offers monthly payments of up to \$300 per child through the end of 2021.
- **The expansion of the tax credit not only increased the amount households can receive, but extended those payments to households that previously had not qualified, like those that did not have taxable income and some mixed-immigration status families.** However, while families who were eligible for the tax credit when they filed their 2019 or 2020 taxes were automatically put in the system to start receiving payments, those newly eligible groups had to register through the IRS website — which means many of the lowest-income families haven't yet received payments.
- **“That’s a great thing in just the first month, I’m guessing that those numbers are going to improve,” said Timothy Smeeding, a University of Wisconsin-Madison economist and child tax credit expert. “The word’s getting out, so I expect it’ll even be better soon for people who really need it.”**
- About 47 percent of families who received the expanded child tax credit reported spending it on food, and about 10 percent put it toward child care.
- Child hunger has been a particular focus of coronavirus relief efforts. The U.S. Department of Agriculture has provided waivers for schools to provide meals to all kids for free, rather than having them pay based on a tiered free, reduced or subsidized pricing model.
- “We know that poverty and food insecurity takes a huge toll on our health care and our education system, so we know this is not only beneficial for kids and families, it’s smart policy,” she said. “It ensures that kids are fed and able to

learn, it ensures that health care expenditures are down.”