



## **CWLA Supports New Proposal that Expands the Child Tax Credit and Lifts Children Out of Poverty**

Senate Finance Committee Chairman Ron Wyden (D-OR) and House Ways and Means Committee Chairman Jason Smith (R-MO) announced on Tuesday a bipartisan, bicameral [tax proposal](#) that includes improvements to the Child Tax Credit (CTC).

CWLA is pleased that lawmakers have prioritized the reduction of child poverty in this tax proposal. Although the proposal is not as comprehensive as the expansion of the CTC that occurred in the 2021 American Rescue Plan Act during the COVID-19 pandemic, it includes essential provisions targeted to reach children left out of the full credit because their families' incomes are too low. It is [estimated](#) that in the first year of the three-year proposal, as many as 400,000 children would be lifted above the poverty line and an additional 3 million children would be made less poor. When the proposal is fully in effect in 2025, it would lift about half a million or more children above the poverty line and make about 5 million more children less poor.

Too often, poverty and the lack of economic supports that exists in impoverished communities contribute to circumstances that expose children and families to the child welfare system. Strategies that reduce child poverty, strengthen families, prevent family separation, and reduce children's removal to out-of-home care should be a top priority for our nation, and we urge Congress to swiftly pass this bill. In the long term, CWLA will continue to work with lawmakers, our members, and other stakeholders and advocates to further improve and expand the CTC to the families and children that need it most.