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TAXES

Budget Would Revive Monthly Child Tax Credit Payments in 2024

President would restore monthly \$300 payments to families with children, but the proposal will likely meet opposition.

Mar. 15, 2023



By Robert Higgs, [cleveland.com](https://www.cleveland.com) (TNS)

President Joe Biden's budget plan for 2024 would restore monthly \$300 payments to families with children that were widely credited with helping lift people out of poverty.

Biden proposes restoring the Child Tax Credit, initially approved as part of the American Rescue Plan, which [the White House said cut child poverty in half](#) to the lowest level in American history.

“President Biden has long believed that we need to grow the economy from the bottom up and middle out, not the top down,” the White House said Friday. “Over the past two years, in the face of significant challenges, that economic strategy has produced historic progress for the American people.”

The top annual credit for eligible families, paid per child under age 6, would increase from \$2,000 to \$3,600. The credit for children who are age 6 and older would rise to \$3,000.

Biden sought to have the credit made permanent in his Build Back Better legislation, but opposition from Senate Republicans and Democrat Joe Manchin doomed the legislation. The expanded credit expired in December 2021.

Now Biden's plan for fiscal 2024 proposes to bring it back and make it permanent.

Advocates for keeping the credit said it was important to help families in need meet their monthly expenses—rent, utility bills, food, childcare, and transportation.

And they note that the credit is good for local economies. Families that receive the child tax credit generally spend that money in their communities to help meet their needs.

“When families struggle to keep up with monthly expenses, they often have to take on debt to make ends meet; a monthly benefit eases that strain,” the [Center on Budget and Policy Priorities](#) said during the Build Back Better debate.

A study by [Columbia University's Center on Poverty and Social Policy](#) found that the credit kept income in households for as many as 3.4 million children above poverty.

When the credit expired, more than 65 million children across the country were affected.

Of that total, nearly 9.9 million children slid back below the poverty line, the Center on Budget and Policy Priorities found. California and Texas led the way, with 1.69

million and 1.08 million children impacted, respectively.

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