Fighting Chance for FamiliesImage: DATA FOR PROGRESS



# Expanded Child Tax Credit Research Summary

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The American Rescue Plan expanded the Child Tax Credit (CTC) for one year, allowing qualifying families to offset \$3,000 per child up to age 17 and \$3,600 per child under age 6. The policy, while in place, lifted nearly <u>4 million</u> children out of poverty.

From July 23, 2021, to February 14, 2022, a time period encompassing the expanded program and extending six weeks beyond its expiration, Fighting Chance for Families, a project of Data for Progress and Groundwork Collaborative, conducted <u>32 surveys</u> regarding the expanded Child Tax Credit, totaling 42,862 interviews of likely voters and over 7,000 CTC recipients nationally. We asked how much they had heard about the CTC, which politicians they attributed the checks to, whether they supported it, whether they believed it should be made permanent, and their views of the economy more broadly.

The survey results demonstrated that recipients strongly supported the CTC — and rewarded Democrats with increased support while the checks were going out — but that any advantages disappeared once the program was allowed to expire.

#### **KEY FINDINGS**

- The CTC enjoyed broad support generally and overwhelming support among parents of children under 18.
- CTC recipients were more likely to approve of President Biden and the Democratic Party.
- On average, people trusted Democrats over Republicans on "supporting parents with children" by a 9-point margin, but that advantage disappeared when they learned that Democrats let the CTC expire.
- CTC recipients consistently rated economic conditions as "excellent" or "good" at significantly higher rates than non-recipients while CTC checks were being distributed, but their views of the economy converged to those of non-recipients once the expanded CTC ended.

### SUPPORT FOR THE CHILD TAX CREDIT

Across the <u>32 surveys</u>, support for the expanded Child Tax Credit averaged at 59 percent among all likely voters, with 35 percent opposed. Among likely voters who self-identified as Democrats, Independent/ third-party, and Republican, support averaged 79 percent, 56 percent and 39 percent, respectively. Among parents of children under 18, support averaged 76 percent, compared to 54 percent among non-parents.

On average, 49 percent of likely voters supported making the expanded CTC permanent and 43 percent opposed. Seventy percent of Democrats, 45 percent of Independents, and 30 percent of Republicans supported making the expanded CTC permanent. Parents' support for making it permanent averaged 69 percent from July 2021 to February 2022. Average support among non-parents for making this program permanent was 44 percent.

### CHILD TAX CREDIT AND POLITICAL ATTITUDES

Initial <u>OLS regression analysis</u>, estimating the correlation using a linear model, found that receipt of the CTC alone was associated with a 4-point increase in both President Biden's and the Democratic Party's respective favorability ratings, when controlling for other variables: age, race, income, education, and vote history. Among those who voted for Donald Trump in 2020, receipt of the CTC was associated with a 4-point increase in Biden's favorability ratings and a 10-point increase in Democratic Party favorability ratings.

Further analysis using a <u>two-stage estimation</u>, modeling using data from both before and after CTC checks were distributed, revealed a CTC effect on Biden approval of roughly 4 percent among monthly CTC recipients. Over the duration of the expanded CTC program, Biden's overall approval dropped substantially, and the size of the CTC effect slipped somewhat as well, though to a much smaller extent.

A <u>randomized control trial</u> found that while voters initially trusted Democrats over Republicans on "supporting parents with children" by a +9-point margin, Democrats lost that trust advantage entirely if voters knew that Democrats let the CTC expire, and gained an additional 5 points (totaling a +14-point margin) if voters were told they are "moving to continue" the policy.

### THE CHILD TAX CREDIT AND ECONOMIC ATTITUDES

Polling on voters' <u>economic perceptions</u> from November 2021 to February 2022 revealed that CTC recipients consistently rated economic conditions as "excellent" or "good" at significantly higher rates than non-recipients while CTC checks were still being distributed. For example, <u>in December</u>, 40 percent of CTC recipients rated economic conditions as "excellent" or "good," while only 20 percent of non-recipients said the same. However, <u>by February</u>, two months after the final CTC check had been distributed, CTC recipients' views of the economy converged to those of non-recipients, with the share of those reporting "excellent" or "good" economic conditions dropping below 20 percent.

## **Bibliography**

Attitudes Toward the Child Tax Credit – Tracking Deck

Political Effects of the Expanded Child Tax Credit

Positive Feedback Loops and Attitudes Towards the Democratic Party

NEW POLL: CTC Recipients' Rating of Country's Economic Conditions Fell Drastically Since Final CTC Payment

Widely Supported Child Tax Credit Is Associated With Better Perceptions of the Economy and Greater Trust of Democrats

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