

Table T18-0032
Options to Change the Additional Child Tax Credit
Baseline: Current Law
Impact on Tax Revenue, 2018-27 ¹

	Fiscal Year										
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-27
Tax Benefits of Current-Law Child Tax Credit (CTC)											
1a: Current law tax benefits of the CTC ²	12.8	128.5	130.0	130.9	132.0	134.0	134.8	135.9	129.0	52.8	1,120.8
1b: Current law tax benefits of the \$2000 CTC; Option 1 ³	11.8	118.1	119.7	120.6	121.7	123.6	124.4	125.4	119.5	52.8	1,037.7
1c: Current law tax benefits of the \$2000 CTC; Option 2 ⁴	9.4	93.6	94.7	95.4	96.2	97.9	98.4	99.2	95.7	52.8	833.2
Options to Change the Additional Child Tax Credit (ACTC)											
Option 1: Eliminate Cap on Refundable Child Tax Credit and Set Earnings Threshold to \$0 ⁵	-0.7	-7.3	-7.1	-7.1	-6.9	-5.8	-5.8	-5.6	-4.3	-1.0	-51.7
Option 2: Option one with the ACTC phased in at 50% for families with children under 6 ⁶	-1.4	-13.8	-13.2	-12.8	-12.4	-11.1	-10.7	-10.2	-8.3	-1.7	-95.6
Option 3: Option one with the elimination of the ACTC phase in for families with children under 6 ⁷	-1.6	-16.2	-15.5	-15.1	-14.5	-13.2	-12.8	-12.1	-10.1	-2.4	-113.6

Source: Urban-Brookings Microsimulation Model (version 0217-1).

(1) Revenue estimates are for fiscal years and use a 10-90 split. Proposals are effective 01/01/2018.

(2) Proposal shows the federal tax benefits of the Child Tax Credit including the \$500 credit for dependents ineligible for the \$2,000 credit.

(3) Proposal repeals the \$2,000 credit for children under 17 with social security numbers without allowing them to take the \$500 nonrefundable credit.

(4) Proposal repeals the \$2,000 credit for children under 17 with social security numbers and allows those children to take the \$500 nonrefundable credit.

(5) Proposal would eliminate the refundability threshold for the Additional Child Tax Credit (ACTC) and eliminate its \$1,400 cap.

(6) Proposal would eliminate the refundability threshold for the Additional Child Tax Credit (ACTC) and eliminate its \$1,400 cap for everyone, and phase the credit in at 50 percent for families with children under 6.

(7) Proposal would eliminate the refundability threshold for the Additional Child Tax Credit (ACTC) and eliminate its \$1,400 cap for everyone, and eliminate the phase-in for families with children under 6.