

Table T19-0006
Expand the Child Tax Credit (CTC)
Baseline: Current Law
Impact on Tax Revenue (\$ billions), 2019-28¹

	Year											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019-28	
Fiscal Year Estimate												
Expand the Child Tax Credit^{2,3}	-9.7	-97.0	-99.7	-102.6	-105.2	-109.2	-111.9	-120.9	-178.5	-182.4	-1,116.9	
Memo:												
Calendar Year Estimate: Expand the Child Tax Credit	-96.8	-99.4	-102.3	-104.7	-108.9	-111.6	-114.5	-178.1	-182.1	-185.4	-1,283.8	

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0718-1).

(1) Baseline is the law in place for each year as of April 1, 2019.

(2) Child credit changes follow those proposed in the American Family Act and would (a) make the child tax credit fully refundable regardless of income, (b) increase the maximum credit to \$3,000 per child and \$3,600 per child under age 6, (c) lower the phase-out thresholds to \$180,000 for married taxpayers filing jointly and \$130,000 for all other taxpayers through 2025, and (d) index the maximum credit amount to the chain-weighted consumer price index. Assumes that 60 percent of eligible non-filers would file to claim the expanded credit in 2019. Participation by nonfilers is assumed to rise by 2 percentage points a year until reaching 70 percent in 2024.

(3) Estimate includes the effect of microdynamic responses and assumes a fiscal split of 10-90 (fiscal year revenue is estimated to be 90 percent of revenue from the previous calendar year and 10 percent of revenue from the current calendar year) for every year. Depending on enactment date for the credit and the beginning date of advance payments, the pattern of receipts could differ.