T09-0087
Options for Reforming the Child Tax Credit (CTC)
Baseline: $8,100 Refundabity Threshold

Static Impact on Number of Eligible Children (millions), 2009

| Year | Kids Newly Eligible for the Refundable Credit\(^\text{2}\):
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<td>Option 1: Reduce to unindexed $0 threshold(^\text{3})</td>
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</table>
|      | Kids with Increased Refundable Child Credit\(^\text{4}\):
|      | Option 1: Reduce to unindexed $0 threshold\(^\text{3}\) | 10.3 |


1 Estimates are static and do not account for any potential microeconomic behavioral response. Official estimates from the Joint Committee on Taxation would likely show a somewhat different effect on

2 Kids newly eligible for the refundable child credit includes all children potentially eligible for the child credit under the proposal but

3 Baseline is current law with threshold reduced to $8,100. Proposal reduces the unindexed earnings threshold to $0, effective 01/01/09.

4 Kids with increased refundable child credit includes all children potentially eligible for the child credit on returns claiming a non-zero value for the refundable child credit in the baseline and a larger