

Jeffery M. Leving: Illinois should join other states that have begun to offer permanent child tax credits to families

By Jeffery M. Leving

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The Illinois State Capitol, as seen on Nov. 29, 2023, in Springfield. (Brian Cassella/Chicago Tribune)

One of the positive stories to come out of the pandemic was the expansion of the federal child tax credit, which cut child poverty rates in half. The increased credit, which involved cash payments to families for six months, lifted nearly 3 million children out of poverty, [according to the U.S. Census Bureau](#).

Child poverty went from 9.7% in 2020 to 5.2% in 2021, the lowest rate on record, according to news reports.

The Build Back Better Act would have extended the federal child tax credit, but federal lawmakers failed to pass legislation that included the credit. It isn't a coincidence that once the credit expired, child poverty rates increased.

As of January 2022, almost one-fifth of all children in America were living in poverty, according to [Columbia University's Center on Poverty & Social Policy](#). While government cannot fix every problem in society, child poverty is unquestionably something that needs to be addressed on the federal level.

Unfortunately, Congress has not been able to reinstate the credit since it expired at the end of 2021. In response, 14 states now have a child tax credit; 10 of those states created or expanded the benefit last year.

However, not all of the 14 states offer families the same benefit. Vermont offers the full amount to households with income of up to \$125,000 and a partial credit to families making up to \$175,000. In Minnesota, the credit is limited to households making less than \$29,500 for single filers or \$35,000 for couples filing jointly. However, Minnesota offered a child tax credit of up to \$1,750 for each child under 18, which Gov. Tim Walz predicted will cut child poverty by a third in his state, according to news reports.

Unfortunately, Illinois is not among the states with a child tax credit. In a blue state with a Democratic governor, this is surprising. However, there is a new effort in the form of [a bill](#) in the Illinois House that would enact a permanent child tax credit. If passed, families would receive a refundable tax credit of up to \$700 per dependent. Those who would be eligible for the full amount are joint filers earning less than \$75,000 per year and single filers earning less than \$50,000 per year, according to news reports. If passed in Illinois, it would help 1.3 million parents, according to [Natalie Foster, president of the nonprofit Economic Security Project](#).

Low-income families that receive tax credits tend to immediately [spend the extra money on necessities](#). So for those who argue that Illinois should be doing all it can to increase tax revenues and forgo tax credits, the bottom line is that “this proposed credit could create up to \$1 billion in local economic stimulus in the first year alone,” Foster said. That outcome is something most people on both sides of the political aisle should favor.

Of course, giving tax credits to families with children is not a magic fix. Illinois and other states should also strongly consider increasing money that goes into programs to help the poor get on the path to earning their own money. It would be wise to set aside some money to fund more of the programs that are focused on job training, prenatal care, substance abuse and mental health counseling. These are things we can advocate for on another day.

For now, it is vital that Illinois get on the right side of the child poverty issue by passing the proposed bill and helping families in the Land of Lincoln.

Attorney Jeffery M. Leving has dedicated his career to safeguarding children and reuniting them with their fathers. He is the author of the books “Fathers’ Rights,” “Divorce Wars” and “How to Be a Good Divorced Dad.” He also is a recipient of a 2023 Presidential Lifetime Achievement Award.

