Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader Schumer, and Minority Leader McConnell:

As leaders of veterans organizations, we are dedicated to ensuring the wellbeing and success of the individuals and families who have served and sacrificed on our country’s behalf. We respectfully urge you to extend the expanded Child Tax Credit (CTC) and expanded Earned Income Tax Credit (EITC) as soon as possible, no later than the end of the year.

These two programs have historically enjoyed bipartisan support, in part because these measures are tested and proven to help all families succeed. At a time when Americans — and especially veterans — are struggling with the rising cost of living, these expanded programs can and should be extended without delay.

When implemented in 2021, the expanded monthly CTC represented the largest middle-class tax cut in a generation, reaching an estimated 5 million children in veteran and active-military households. For these families, these checks, up to $300 per month per child under 17, provided a crucial tool to help families fight the rising cost of living and get back to work.

This is a marked improvement upon the standard tax credit in two critical ways: First, it made the CTC fully refundable, extending eligibility to families with lower incomes who don’t usually receive the full benefit. Until 2021, more than 1 million children in veteran and active-military families were left behind simply because their households didn’t earn enough. The expanded CTC fixes that and lifts kids out of poverty — but without an extension this year, these families with lower incomes are the ones who stand to be hurt the most. Second, the distribution of the tax credit on a monthly basis not only aligns with the way the average American household budgets, but by putting money directly in the hands of families who need it and will spend it, it also boosts local businesses and regional economies. According to a Columbia University study, when delivered monthly as opposed to annually at tax time, the Child Tax Credit lifts about one-third more children above the poverty line every single month. That’s one reason that child poverty rates fell by 30% under the expanded CTC.

It’s important to note that the expanded CTC is essential to rural communities that have seen jobs leave over the years due to automation and trade. Research from the Niskanen Center found that
families in rural states receive the largest relative benefit from the expanded CTC when compared to their urban counterparts.

Of course, it’s not just veterans with children who are struggling to keep up with rising costs. An extension of the expanded CTC should be paired with the expanded EITC, providing childless lower-wage workers with similar, necessary relief. That’s particularly valuable for veterans and their families: One-third of post-9/11 veterans have reported having problems paying their bills, particularly in the first few years after leaving the military. The expanded EITC provided roughly 8 million veterans in the workforce with $700 more on average than under the previous credit. That makes a meaningful impact, at a time when relief is needed most.

America’s veterans and military families feel the difficulties of the higher cost of living every day. This Congress has an established record of taking action to meaningfully improve people’s lives — and members have crossed the aisle to ensure our veterans and military families don’t get left behind. We urge you to follow through on that commitment by extending the expanded CTC and the expanded EITC before the end of the year.

Sincerely,

National Military Family Association
CommonDefense
San Diego for Every Child
YMCA of San Diego County