



*Together for Children. Families. Communities.*

April 24, 2025

**RE: In support of H6072 - An Act Relating to Taxation - Personal Income Tax - Child Tax Credit**

Chairman Abney, Vice Chairpersons Slater and Marszalkowski, and Members of the House Finance Committee,

On behalf of the Rhode Island Coalition for Children and Families (RICCF), I am writing in strong support of legislation to establish a refundable State Child Tax Credit (CTC). At a time when Rhode Island families face rising costs and mounting uncertainty, this policy is one of the most direct and effective ways we can reduce child poverty, support working parents, and invest in our shared future.

This support is even more urgent as federal programs that low-income families rely on—such as SNAP, WIC, and Medicaid—and potentially the federal Child Tax Credit—face potential funding cuts and policy rollbacks. If enacted, these cuts would significantly weaken the safety net for our most vulnerable residents, particularly children. The loss of food assistance, health coverage, and other vital supports would place more children at risk of poor health outcomes, food insecurity, and housing instability.

A state-level Child Tax Credit would help mitigate the devastating effects of these looming federal threats by putting cash directly into the hands of families who need it most. The research is clear: direct cash support helps families meet basic needs, improves children's long-term health and educational outcomes, and reduces the stress that too often undermines family stability.

**Economic and Equity Benefits**

The Child Tax Credit is one of the nation's strongest policy tools to provide families with some support and breathing room while raising children. It has also been shown to be one of the most effective tools ever for lowering child poverty. Economic inequality, low wages, and child poverty are defining challenges in the U.S. Systemic racism causes these problems to disproportionately weigh on Black families and other families of color.

The federal CTC – particularly the expanded version that was in place in 2021 – helps address these challenges.<sup>1</sup> The federal credit currently provides up to \$2,000 per child to about forty million families every year. According to research by the Institute on Taxation and Economic

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<sup>1</sup> <https://itep.org/states-are-boosting-economic-security-with-child-tax-credits-in-2023/>

Policy, a combination of the existing federal child tax credit and a state credit would slash child poverty rates.

## Family Poverty and Child Welfare Involvement

Child tax credits provide direct financial support to parents, are [associated with immediate reductions in child welfare involvement](#), and help alleviate chronic stress.<sup>2</sup> The issue of child tax credits is particularly important to the members of RICCF because a growing body of research shows that family poverty plays a key role in many cases of reported child neglect. Seventy percent of child maltreatment reports nationally are not for physical or sexual abuse but for child neglect. Studies also suggest that when families' incomes are boosted—even modestly—child maltreatment reports due to neglect for those areas have declined. Therefore, child tax credits can play an important role in helping to keep children safe and families together.<sup>3</sup>

## Previous State Action on Child Tax Credits

Rhode Island offered a one-time child tax rebate in 2022, recognizing the value of direct investments in families. At the time, Governor McKee stated “Our Administration is committed to delivering targeted tax relief to Rhode Islanders as we continue to build on our state’s economic momentum.<sup>4</sup> Supporting parents and their children with Rhode Island’s new Child Tax Rebate is a sensible and critical way to keep our economy growing.”<sup>5</sup>

Analysis released by the Urban Institute projects that permanent expansion of the Child Tax Credits would result in children of all racial and ethnic groups earning between 7 and 12 percent more annually by the time they are 30 years old (an additional \$2,000 to \$3,400). Because of [structural racism and discrimination in the labor market](#), these children’s families experience barriers to opportunities for high-quality, high-paying jobs.

High school graduation rates would increase modestly, by around 1 to 3 percentage points, while college graduation would increase around 2 to 6 percentage points. The analysis uses the [Social Genome Model](#), which accounts for the long-term links between childhood income, test scores, behavior, and adult outcomes.<sup>6</sup> Proportionate results would be incurred with smaller increases, including complementary state tax credit initiatives.

Sixteen states have enacted a child tax credit in addition to the federal credit. Twelve of the 16 states ([California](#), [Colorado](#), [Illinois](#), [Maine](#), [Maryland](#), [Massachusetts](#), [Minnesota](#), [New Jersey](#), [New Mexico](#), [New York](#), Oregon and [Vermont](#)) have made the child tax credit refundable. [Arizona](#), California, Colorado, [Idaho](#), Maine, Maryland, Massachusetts, Minnesota, New Jersey, New Mexico, [Utah](#) and Vermont established a fixed limit for the tax credit ranging from \$25 to \$3,200 per qualifying child.<sup>7</sup>

<sup>2</sup> <https://www.ncsl.org/human-services/policy-levers-for-preventing-child-maltreatment>

<sup>3</sup> Conversation with Lenette Azzi-Lessing, Professor, Boston University School of Social Work

<sup>4</sup> [<sup>5</sup> <https://itep.org/states-are-boosting-economic-security-with-child-tax-credits-in-2023/>](https://rilegislature.gov/pressrelease/_layouts/RIL_PressRelease.ListStructure/Form/DisplayForm.aspx?List=c8baae31-3c10-431c-8ddc-9dbbe21ce3e9&ID=372989&Web=2bab1515-0dcc-4176-a2f8-8d4beebdf48&#039;~:text=State%20of%20Rhode%20Island%20General%20Assembly&text=NEWPORT%20E2%80%93%20Governor%20Dan%20McKee%20today,by%20the%20Governor%20in%20June.</p></div><div data-bbox=)

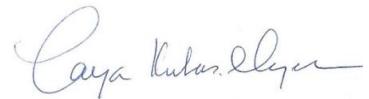
<sup>6</sup> <https://www.urban.org/urban-wire/permanently-expanding-child-tax-credit-would-increase-kids-lifetime-earnings-and#:~:text=Today%2C%20new%20Urban%20Institute%20research,across%20racial%20and%20ethnic%20groups>

<sup>7</sup> <https://www.ncsl.org/human-services/child-tax-credit-overview#:~:text=State%2DLevel%20Child%20Tax%20Credit,the%20child%20tax%20credit%20refundable>.

With H6072, Rhode Island has the opportunity to make an investment in its families. A Rhode Island Child Tax Credit will support and stabilize our families and directly benefit our children.

We thank you for your consideration of these issues and urge your support of H6072.

Respectfully,

A handwritten signature in black ink, appearing to read "Tanja Kubas-Meyer".

Tanja Kubas-Meyer  
Executive Director