

Top Three Differences Between the GOP CTC and the Real CTC

Republicans want voters to believe they're getting what Democrats already delivered in 2021—but their plan falls far short. The **GOP Child Tax Credit (CTC)** isn't the same as the one that cut child poverty nearly in half. That was the **Real CTC**—fully refundable, significantly more generous, and delivered monthly to families. The GOP CTC leaves millions of children behind, offers less money, and doesn't provide monthly payments when families need them most.

1. **The GOP CTC is not fully refundable and leaves out 19 million children** – meaning the number of children left behind from the full CTC increases from roughly 17 million (25 percent), under current law, to 19 million children left behind (28 percent).
 - **The Real CTC includes all children.**
2. **The GOP CTC is worth less it was in 2017** – the bill only increases the maximum CTC to \$2,200 (in today's dollars, the real value of the CTC would be \$2,500).
 - And because the value is modestly increased, parents need to earn more to be eligible for the full CTC.
 - **The Real CTC significantly increases the value.**
3. **The GOP CTC is not paid monthly** – as families continue to struggle with the increased costs because of Trump tariffs, the failure to make the CTC monthly does not.
 - **Democrats want to make the Real CTC monthly AND permanent.**

Difference between the GOP CTC and the Real CTC

The Number of Left Behind Children Increases

The experts at Columbia University's Center on Poverty and Social Policy have crunched the numbers and found that now 1 in 3 children will be ineligible for the full Child Tax Credit under H.R. 1. Compare that to the current law (the first Republican Tax scam), that left behind 1 in 4 children. As a reminder, we made all children eligible for the Child Tax Credit under the American Rescue Plan Act. Rural families will be left behind. Large families will be left behind. Families headed by grandparents will be left behind. And babies born early in the year will be left behind.

The value of the GOP Child Tax Credit is less than it was in 2021 under the American Rescue Plan

The American Family Act (AFA) of 2025 would restore the 2021 expanded Child Tax Credit, by increasing the value of the CTC from the current level of \$2,000 per child to \$6,360 for newborns (including the baby bonus), \$4,320 for children ages one through six, and \$3,600 for children aged six through 17.

It is not a work requirement, it is an earnings requirement

The reality is this is not about work, it is about income. An individual who does not work a day, but collects \$400,000 in income from stock dividends is eligible for the full Child Tax Credit. A grandparent who is raising their grandchildren and is only receiving Social Security, is ineligible because they have no income.

If parents work full-time, for an entire year at the minimum wage, they earn too little to get the full CTC, as they would need to earn at least \$30,000.

The yearly salary of someone who works full time, full year at the minimum wage is \$15,080 ($\$7.25 \times 40 \text{ hours} \times 52 \text{ weeks}$, with no vacation time). Even a married couple - with both parents working full time, full year -- still earn too little to get the full CTC, as they would have to work over 125 hours. The yearly salary of a married couple working full-time, full year at the minimum wage is \$30,160 ($\$7.25 \times 40 \text{ hours} \times 52 \text{ weeks} \times 2 \text{ earners}$ with no vacation).

	Married, Filing Jointly		Head of Household Filers	
	Current Policy CTC (TCJA)	Senate-passed amendment to H.R.1 CTC	Current Policy CTC (TCJA)	Senate-passed amendment to H.R.1 CTC
	<i>Income needed for full credit:</i>		<i>Income needed for full credit:</i>	
1-child family	\$33,000	\$36,500	\$25,500	\$28,700
2-child family	\$36,000	\$41,500	\$28,500	\$33,700
3-child family	\$39,000	\$46,500	\$34,500	\$38,700
4-child family	\$45,500	\$51,500	\$42,300	\$45,800

Source: Center on Poverty and Social Policy at Columbia University, 2025.

What Democrats delivered and continue to fight for

The American Rescue Plan Act of 2021 provided for and the American Family Act of 2025 would ensure that all children are eligible for the expanded, monthly Child Tax Credit. Under the Real CTC, which Democrats delivered, the same benefit goes to middle class, poor, working, and the most vulnerable children left out of the Republican proposal. Unlike the GOP CTC, the Real CTC delivers payments monthly instead of just at tax season. In total, the Child Tax Credit reached more than 61 million children – and lifted nearly 4 million out of poverty in 2021 alone. Hunger was cut by 26 percent for families. The Treasury Inspector General for Tax Administration (TIGTA) found the IRS accurately sent 98 percent of monthly Child Tax Credit payments.

- The Republicans are spending over \$100 billion a year on their Child Tax Credit that leaves out the 19 million children and fails to help middle class families with increased costs.