



For Immediate Release: May 29, 2024 Contact: jenna@economicsecurity.us

VICTORY! Illinois Legislature Passes \$150M Child Tax Credit

Springfield, IL – Early this morning, the Illinois House voted in favor of a state budget that creates a robust Child Tax Credit (CTC), which will benefit hundreds of thousands of families who earn median income or less by providing up to \$300 credit to households with children under the age of twelve. Elected leaders and advocates in Illinois are celebrating this monumental achievement for families, which represents a meaningful investment in Illinois families, offering \$150 million over the next two years, then an annual \$100 million permanently.

"This victory is years in the making," said Erion Malasi, Director of Policy and Advocacy at Economic Security Illinois. "A coalition of parents representing over 50 nonprofit, labor, immigrant rights, and community organizations fought together to convince the Illinois legislature to create a Child Tax Credit for more than three years — and today, we won that fight. This robust Child Tax Credit included in the General Assembly's budget will offer a huge boost to families with children under twelve. That money will help families flourish and reinvigorate our local economy. We applaud the Governor and our champions in the House and Senate for coming together to make Illinois the 15th state to pass a Child Tax Credit."

With this win, Illinois becomes the 15th state to adopt a Child Tax Credit, demonstrating the overwhelming momentum for this policy nationwide.

"One of the challenges facing families across America has been affordability, especially for those trying to raise a family. Rising prices have hit working families the hardest, so we focused on finding ways to reduce costs and put more money in their pockets. That's why we eliminated the state sales tax on groceries and then created the first-ever Illinois Child Tax Credit, providing as much as \$300 for working class and middle class families," **Governor Pritzker said in a press conference this morning.**

In February, Governor Pritzker delivered a promising budget address that called for the creation of a statewide Child Tax Credit that would return \$12 million to taxpayers with children under age three. This budget goes beyond that:

- A CTC of up to \$300 will be available to families with children age 0-12;
- The credit will be made available through a match of the Earned Income Tax Credit (EITC);
- The budget provides \$50 million for a credit equal to 20% of the state's Earned Income Credit (EIC) this fiscal year (2025), and doubles to a credit up to 40% of state's EIC in the following fiscal year;
- After 2026, the \$100 million credit will be available to EITC eligible families permanently.

"I proposed a robust Child Tax Credit this year because it's time we put money back in working-class parents' pockets, and I am delighted to see the Legislature's budget truly deliver what families need," **said State Senator Omar Aquino**. "In terms of raw numbers, nearly one-third of Illinois families will benefit from this CTC, and the amount of relief each will receive is meaningful. In the face of rising costs, this CTC gives hardworking Illinois families the relief they need and deserve."

Advocates pushed for a Child Tax Credit for years alongside allies in the House and Senate. This session, the campaign included a bill, SB 3329 / HB 4917, to create a \$300 Child Tax Credit sponsored by Senator Omar Aquino, Representative Marcus C. Evans Jr., and supported by other legislative leaders, including Representative Mary Beth Canty and Senator Mike Simmons, among many others.

"This year, we said we were going to pass a truly impactful Child Tax Credit, and today, that vision is one giant step closer to a reality," **said State Representative Marcus C. Evans, Jr.** "This CTC is a major win for everyone: for children across Illinois who will now have the resources they need to flourish, and for parents struggling to make that next rental payment or handle the rising cost of groceries or diapers. And it's a major win for our local economy, as this money will flow to businesses small and large as an economic stimulus."

The Illinois Cost-of-Living Refund Coalition, which <u>successfully led</u> the fight for the Earned Income Credit expansion in 2022, also spearheaded the advocacy effort for the Child Tax Credit. The coalition, convened by Economic Security Illinois, includes more than 50 nonprofit, labor, consumer advocates, immigrant rights, and grassroots, community-based organizations across the state who organized support for the policy.

"I am overjoyed that the Legislature put our children first and helped thousands of families who need that extra bit of support," said Krystal Peters, local advocate, parent, and child care organizer at Worker Center for Racial Justice. "To our state elected leaders, thank you, this is real help that families can use to get ahead and start to flourish. To Governor Pritzker, I can't wait for you to sign this into law; this has been a long time coming."

"We are grateful to the elected officials and advocates who fought to include a substantial Child Tax Credit in the budget, which is yet another example of how Illinois is working to make our state the best place to raise a family. The public overwhelmingly supports this measure to help combat childhood poverty and give families another tool to make ends meet," said Jessica Handy, Illinois Executive Director of Stand for Children.

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Economic Security Illinois Action is an affiliate of Economic Security Project Action.

Economic Security Project Action mobilizes resources and people behind ideas that build economic power for all Americans. As an ideas advocacy organization, we legitimize our issues by supporting cutting edge research and elevating champions, win concrete policy victories for the communities that need to see change now, and provoke the conventional wisdom to shift what's considered possible. Our team of academics, organizers, practitioners and culture makers disburse grants, run issue campaigns, develop creative interventions and research products to support the field, and coordinate events to encourage investment and action from others.

The Illinois Cost-of-Living Refund Coalition is dedicated to getting more money into the hands of Illinois families. Our 50+ members are composed of unions, community organizations, consumer protection groups, and nonprofits, including:

Age Guide Illinois Families for Public Schools

Brightpoint Illinois Nurses Association

Caring Across Generations Illinois Partners for Human Service
The Chicago Community Trust Illinois Public Interest Research Group

Chicago Jobs Council Illinois Restaurant Association

Chicago Urban League International Union of Operating Engineers - Local 150

Chicago Votes (IUOE Local 150)

Children's Advocates for Change Latino Policy Forum

Citizen Action-Illinois League of Women Voters of Illinois

Community Organizing and Family Issues (COFI) LIFT- Chicago

Economic Security Illinois Metropolitan Planning Council
Economic Security Project National Association of Social Workers, Illinois Chapter
Equity and Transformation The Network: Advocating Against Domestic Violence

Grassroots Collaborative New America Chicago

Easter Seals of Greater Chicagoland and Rockford Parents Organizing to Win Educate and Renew - Policy

New Moms

Greater West Town Community Development Project Action Council (POWER-PAC)

Heartland Alliance
Raise The Floor Alliance
Raising Illinois

Illinois Action for Children Service Employees International Union - Local 1 (SEIU-1)

Illinois Coalition for Immigrant and Refugee Rights Service Employees International Union - Local 73

Illinois Collaboration on Youth (SEIU-73)

Greater Chicago Food Depository

ECONOMICSECURITY.US

Shriver Center on Poverty Law

Small Business Advisory Council

Small Business Majority

Stand for Children: Illinois

Start Early

United Food & Commercial Workers - Local 881 (UFCW -

881)

United Way of Illinois

United Way of Metropolitan Chicago

UpTogether

Warehouse Workers for Justice

Women Employed

Woodstock Institute

Worker Center for Racial Justice

Young Invincibles