



A PROJECT OF MOTHER'S OUTREACH NETWORK

DC GUARANTEED INCOME COALITION



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June 10, 2025

To: Council Chair Mendelson, Committee Chair Kenyan McDuffie
Cc: Councilmember Zachary Parker, etc.

Dear Council Chair Mendelson, Committee Chair Kenyan McDuffie,

We write to urge you to expressly “revive” or restore the repealed Child Tax Credit Amendment Act of 2024, an important anti-poverty initiative, in the FY 2026 Budget Support Act.¹

The Child Tax Credit’s passage in 2024 signified Mayor Bowser’s, Ward 5 Councilmember Zachary Parker’s, and the DC Council’s commitment to reducing poverty in Washington, D.C. The fully refundable tax credit would have provided qualifying DC families with \$420 per child for up to three children under age six. (D.C. Code § 47–1806.17(b)(1)(A)). Refundable tax credit programs serve as a form of guaranteed income and effectively reduce poverty.²

We therefore were deeply concerned to find that this important anti-poverty initiative was omitted from the Mayor’s proposed District Fiscal Year 2026 Budget.

Restoring a local Child Tax Credit (CTC) will help thousands of DC’s most vulnerable families to cover their basic necessities with the refundable credit. Approximately 17% of children in DC, and 30% of DC families with children, live below the poverty level (U.S. Census Bureau, U.S. Department of Commerce).

A local CTC will increase the standard of living for the tens of thousands of DC families currently living in poverty. The CTC’s design, which features a gradual phase-out structure, sets it apart from other DC programs and may contribute to mitigating benefit cliffs for participants in public benefit programs. This welfare protection is crucial for Black mothers and their families, as they often face multiple barriers in accessing resources and support. It is paramount that DC’s councilmembers, the mayor, and lawmakers fund this important initiative.

A local CTC is necessary for the District’s constituents. Although the federal Tax Cuts and Jobs Act is expected to be expanded through the “One Big Beautiful Bill” Act, the federal tax credit’s earned income requirement will prevent the benefit from reaching families who earn less than \$2,500 per year, unless they have three or more eligible dependents in the home (McDermott and Marples). Because of this and other provisions in the One Big Beautiful Bill:

- Unemployed families who rely on Social Security and Medicaid will not be eligible to receive the benefit
- Families who earn less than \$10,000 are estimated to only claim \$270 on average (McDermott and Marples).

A District-led child tax credit will support the District’s most vulnerable families who are not positioned to benefit from the federal child tax credit.

We therefore urge you to immediately restore the local Child Tax Credit to support thousands of families in need in DC.

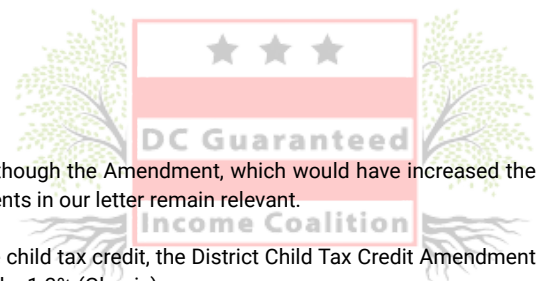
Respectfully submitted,

Sign-On Form

Mother’s Outreach Network
Bread for the City

¹You might recall our April 2023 letter in support of the District Child Tax Credit Amendment Act of 2023. Although the Amendment, which would have increased the tax credit to \$500 per child from \$420 as set forth in the original proposal, ultimately did not pass, the sentiments in our letter remain relevant.

²In a study supported by Mother’s Outreach Network (MON), Policy Engine found that an earlier version of the child tax credit, the District Child Tax Credit Amendment Act of 2023 (the DCTC), was expected to reduce child poverty by 5.2% and lower overall poverty in the District by 1.3% (Ghenis).



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For a full list of references, please refer to our website.