



The Honorable Senator Casey  
United States Senate  
393 Russell Senate Office Building  
Washington, DC 20510

August 13, 2014

Dear Senator Casey,

On behalf of First Focus, a bipartisan advocacy organization dedicated to making children and families the priority in federal policy and budget decisions, I would like to express support for the Adoption Tax Credit Refundability Act (S.1056). As an organization that works to ensure that every child achieves permanency, we understand the importance of providing financial assistance to adoptive families.

As of fiscal year 2011, over 100,000 children were waiting to be adopted in the United States. Congress sought to decrease the number of children in foster care and ease the upfront financial burden of adoption by offering an adoption tax credit to adoptive families. The tax credit is available to families who adopt through every type of adoption: international adoption, private domestic adoption, or adoption from foster care. In 2003, the tax credit was reformed to allow families who adopt children with special needs to claim the maximum tax credit of \$10,000 without having to provide proof of adoption related expenses.

This tax credit has removed a barrier that has kept low and middle-income families from adopting, and created an incentive for the adoption of children who may otherwise linger in the foster care system. However, this benefit is not currently accessible to all adoptive families. Since 2012, the adoption tax credit is not refundable, which means that the benefit can only be used to offset the family's tax liability. Data shows that the majority of adoptive families have little to no tax liability, and thus do not benefit from a non-refundable tax credit. This bill amends to Internal Revenue code to made the adoption tax credit a refund so that all families can receive the benefits the tax credit sought to provide.

We thank you for your leadership in addressing this disparity and ensuring that allow lower income adoptive parents children receive the same benefits as other adoptive parents. We look forward to working with you to improve the health and wellbeing of all our nation's children.

Sincerely,

Bruce Lesley  
President