



FIRST FOCUS CAMPAIGN FOR CHILDREN

March 30, 2017

The Honorable Robert Casey
U.S. Senate
Washington, DC 20515

Dear Senator Casey:

I am writing on behalf of First Focus Campaign for Children, a bipartisan children's advocacy organization dedicated to making children and families the priority in federal budget and policy decisions, to thank you for your leadership in introducing the Child and Dependent Care Tax Credit Enhancement Act of 2017 (S. 470). As an organization committed to advocating for the economic security of children and families, we believe that strengthening the Child and Dependent Care Tax Credit (CDCTC) will increase access to quality childcare for middle to low-income children while decreasing the financial burden of parents and caregivers.

Everyday low-income parents and caregivers struggle to meet the high costs of raising young children. Childcare is often the largest of these expenses - exceeding \$9,500 on average each year. For many states the costs of full-time care exceeds the costs of college tuition. Because of this expense more than 40 percent of infants and toddlers are in substandard child care environments. Access to affordable and quality childcare is not only important to the healthy development of young children, but it is vital to the financial security of families with young children.

Currently the CDCTC helps families to offset the costs of paying for childcare while allowing parents to go to work or attend school. However, according to the [Family Tax Policy](#) report by the Childhood Poverty Action Group, "A credit that provides partial reimbursement of up to \$3,000 in expenses for one child and \$6,000 in expenses for two or more doesn't come close to addressing the enormous burden of expenses felt by families." In addition, under current legislation the credit is non-refundable and does not benefit those who need it the most.

The Child and Dependent Care Tax Credit Enhancement Act of 2017 makes the credit fully refundable which allows middle and low-income families to benefit from the full amount even if it is larger than their tax liability. It also allows families with an adjusted gross income up to \$120,000 to take advantage of the full credit amount. It would index benefits to inflation to ensure they keep up with costs expanding expenses to 6,000 for one child and 12,000 for two or more. This would allow families to receive 3,000 for one child and 6,000 for two or more children.

Expanding and improving access to the CDCTC will provide financial relief for middle to low-income families. It will allow parents/caregivers to work and provide income security, and it will be an investment in children for generations to come. We are grateful for your leadership in making children and families a legislative priority, and we look forward to working with you on this and other proposals to improve the well-being of America's children and youth.

Sincerely,

Bruce Lesley
President