

Findings from Qualitative Research on the Child Tax Credit



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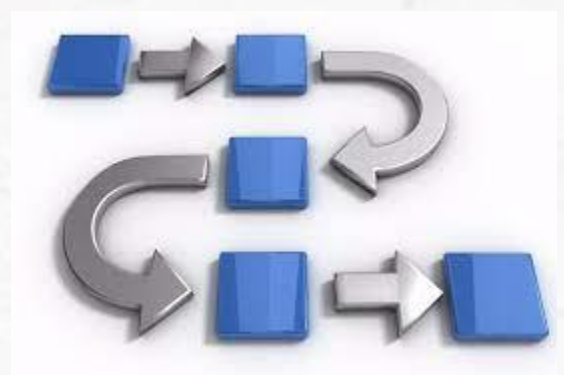
COALITION ON HUMAN NEEDS

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Methodology



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Methodology

Lake Research Partners and the Partnership for America’s Children held 8 focus groups—2 in person in Oklahoma City, Oklahoma and 6 virtual, video-based groups—in October and November 2021 among providers and low-income parents who have not received the Child Tax Credit, filed their taxes in 2019 or 2020, or received the stimulus checks. These groups consisted of the following demographics:

In-person groups (Oklahoma City, OK)	Virtual groups
10/6: Parents who are experiencing homelessness	10/7: Black parents
10/6: White parents	10/11: English-speaking Latinx parents
	11/8: Guardians (grandparents or other non-parental adults living with children)
	11/1: Spanish-speaking undocumented parents
	10/28: Teachers, administrators, Head Start providers
	11/2: National diaper bank providers, homeless providers, child welfare providers, and food bank providers

Qualitative Research Statement of Limitations

- In opinion research, qualitative research seeks to develop insight and direction rather than quantitatively precise or absolute measures. Because of the limited number of respondents and the restrictions of recruiting, this research must be considered in a qualitative frame of reference.
- The reader may find that some of the information seems inconsistent in character upon first reading this report. These inconsistencies should be considered as valid data from the participant's point of view. That is, the participant may be misinformed or simply wrong in his or her knowledge or judgment, and we should interpret this as useful information about their level of understanding.
- This study cannot be considered reliable or valid in the statistical sense. This type of research is intended to provide knowledge, awareness, attitudes, and opinions about issues and concerns.
- The following limitations are inherent in qualitative research and are stated here to remind the reader that the qualitative data presented here cannot be projected to any universe of individuals.
 - Statement 1. Participants who respond to the invitation of a stranger to participate in this research show themselves to be risk takers and may be somewhat more assertive than non-participants.
 - Statement 2. Some participants speak more often and more forcefully in focus group sessions than other participants, so their opinions tend to carry more weight in the findings.
 - Statement 3. Participants "self-select" themselves.
 - Statement 4. Participants were not selected randomly; as a result, each person in the pool of possible participants did not have an equal chance to be selected.
 - Statement 5. In these online groups, participants are actively online. However, there may be other non-filers for whom online resources and information are not readily available.



Key Findings and Recommendations



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Summary of Key Findings

- While many parents and guardians have heard of the Child Tax Credit (CTC), some are not aware of it. However, **most do not know the details of what it is or how to apply. Many already assume they do not qualify or are concerned about issues related to it, like paying it back.**
 - **Immigration status, not filing taxes, not working, and receiving other assistance for families struggling to make ends meet** are some reasons parents assume they do not qualify.
 - Many parents think the CTC sounds beneficial but feels like a scam. Distrust of government and federal programs is an ongoing barrier.
- Many providers are generally familiar with the CTC but not certain of the details.
 - **Some do not feel it is their responsibility to help people apply, while others are unsure whether the people whom they work with are eligible.**
 - **Some service providers and other people like teachers say they would need more resources and information in order to assist people.** They worry about making mistakes on an application on behalf of someone else.
- **Paying back the money and maintaining confidentiality are the biggest concerns for parents around receiving the Child Tax Credit.**
 - **Undocumented immigrant parents worry their information could be shared with ICE, even if confidentiality is guaranteed, because the policies could change between one presidential administration and another.** Some fully documented parents are still concerned about how the CTC would affect their immigration status as a public charge.
 - Parents who are experiencing homelessness are also concerned about **the logistics of receiving money given their unstable housing situations**, as well as owing **child support**.
- Most parents say they would use the money from the CTC for essentials like **food, transportation, bills, clothes, and school supplies.**

Summary of Key Findings Cont'd.

- **Many say they trust the IRS website for information on the CTC, and others frequently name other government agencies as trustworthy sources of information. Others trust people like teachers and providers.**
- **Parents trust tax or legal experts in the community to help them apply.** Many also want to talk or hear from other parents who have successfully enrolled for the CTC.
 - **Many would not call a hotline** because the wait is too long.
 - **Most prefer talking to a live person** over an automated recording or visiting a website.
- While the statements that resonate most with parents varies between groups, those that are most liked across groups include the phrase **“parents like you.”**
 - Providers like “The CTC ensures that parents like you can make ends meet and pay the bills,” “The CTC lets parents pay for the things they know their family needs,” and “The CTC helps people raising children on fixed incomes, like grandparents and people with disabilities.”
- **Many parents feel defensive toward messaging that suggests they are not adequately providing for their children. Many are also put off by messages that promise to drastically change a child’s life, like ensuring they will graduate high school, or ending child poverty, which they see as exaggerated.**
 - **Guardians like messages that acknowledge them as caretakers alongside the child’s parents.**
 - **Immigrant parents like messages that emphasize confidentiality, though they remain skeptical that this is true.**
- **Social media** is among the most frequently suggested methods for reaching parents. Other suggested methods also **meet parents where they are: through the church, mail, public transportation, or immigration attorneys.**
 - Providers also suggest **community spaces, like libraries or schools, that provide internet access and people who can assist them.**
 - Providers want information to be **accessible, simple, and visual.**
- Providers prefer that flyers have a **QR code, step-by-step information, and FAQs to address common barriers** such as identification documents.

Summary – Familiarity with the Child Tax Credit

- Many parents have heard of the Child Tax Credit, **but most do not understand the details**, such as how much money they would receive or whether they are eligible. The definition is helpful in informing them of how the credit has expanded, and messaging should address this.
- Many parents and guardians have not applied because **they think they are ineligible**.
 - **Many believe eligibility depends on having filed taxes, being employed, or having a Social Security number.**
 - **Many guardians believe they need to be the legal parent or guardian.** Many aren't willing to claim the credit if a parent was claiming the child. They don't want to risk the parent taking the child back in order to get the CTC.
 - **Some parents who are experiencing homelessness are confused about eligibility and how applying will impact their child support payments when both parents have expenses and share custody.**
- There is also the concern they will need to pay back the monthly payments, because of an error they made, an error the IRS made, or changes to their eligibility.
 - Advocates can emphasize that low-income filers are protected from repayment in most situations.
- Some have not filed because they are afraid of the consequences, **such as owing money to the IRS or having their information shared with ICE, or they could face legal troubles for not filing in the past.**
 - Advocates can point out that they won't get into trouble for not filing, and in some cases may not be required to file.
- Others have not filed **because they worry it will affect other benefits, such as disability payments.**
- **Some providers are uncertain whether the people they work with would qualify**, but they recognize how important the Child Tax Credit is.
 - Some **say it is not their responsibility** to help people apply. Several did not feel comfortable talking about something as personal as taxes when it was not part of their job.
 - Others say they would like to help but are **nervous about making mistakes on applications and would like more resources to assist people.**

Summary – Defining the Child Tax Credit

The American Rescue Plan, a pandemic relief package signed into law in March 2021, expanded the child tax credit to cover most families with children with a benefit of \$3,000 for each child aged 6-17 and \$3,600 for each child that is younger than 6. This means you can claim your first half in monthly payments in 2021, and the rest in 2022, or you can get the entire payment in 2022. Most families with children will get the child tax credit automatically, but between 4-6 million families need to take extra steps to get it (because if they didn't file taxes in 2019 or 2020 and they didn't use the IRS non-filer portal to claim the stimulus payment, the IRS doesn't have current contact information for them).

- After hearing the definition of the Child Tax Credit, **many parents react positively overall.**
 - Some say that with this information in mind, they think they may be eligible.
 - Others comment on how much money this is.
- While many parents acknowledge how helpful this would be, **some say it is too good to be true. Many still have concerns about the logistics and eligibility.**
- **Most parents do not want spending restrictions on the money.**
 - Parents who are experiencing homelessness have mixed reactions because some do not trust parents' spending choices.
- Most parents say they would spend this money on **essentials like clothing, food, transportation, school supplies, or bills**, or they would save it for later.
- **Many providers predict the barriers that parents and guardians express after hearing the definition**, such as a hesitancy to disclose personal information, or not having access to the documents they need.

Summary – Concerns

- **Distrust of the government and a lack of information** on the CTC are the most frequently expressed barriers across groups.
- Some parents who are experiencing homelessness see their housing instability as a barrier.
 - **Lacking a permanent or reliable address** is one concern that some have.
 - Others say they **do not have reliable internet or access to their IP PINs**.
- **Many immigrant parents have unique worries related to their immigration status. They worry their information will be shared with ICE** if they apply. They also worry that accepting a benefit like the CTC would hamper their self-sufficiency in the eyes of the government.
 - Some say even researching how to apply could lead to the government obtaining their information and interfering with their immigration status.
 - Even if confidentiality is guaranteed, **many still believe their information will not remain confidential**.
 - Resources should relay that parents with ITINs can claim the credit if their children have a SSN, as well as instructions for setting up an ITIN.
- After seeing the list of documents needed to apply, **many parents believe they could provide the right documents**.
 - Some are still hesitant to provide their banking information for security reasons.

Summary – Resources to Remove Barriers

- **Many parents trust information coming from the IRS website** (including links in materials could be helpful), **government agencies or programs like WIC, and teachers and providers.**
- **Many parents want advocates and service providers to help** them apply. **Others want the IRS to automatically enroll them** since their information is likely already on file with the government.
 - Many parents would turn to **tax or legal experts** in the community for help.
 - **Others would ask people who have already undergone the application process.**
 - Some immigrant parents say that their **immigration attorney** would be a trusted person to assist them.
 - Advocates should work with the local immigration bar association to make sure they know how to address questions around the CTC.
- **Most parents would not be interested in calling a hotline** because of long wait times, and some often find those calls to not be helpful anyway.
- While parents split on who in the community would be best to help them, **most say they would like to speak to a live person**, not a recording.
- **Many parents are still concerned about maintaining confidentiality** when asking for assistance and worry about their personal information being stolen.

Summary – Message Statements

- Many of the top-performing message statements include the phrase “parents like you” and emphasize affording essentials for the family or children.

Top Message Statements Among Parents and Guardians

The Child Tax Credit lets parents like you pay for the things you know your family needs.

The CTC gives parents breathing room when they have a tight budget.

The CTC ensures that parents like you can make ends meet and pay your bills.

The CTC helps parents like you take care of your children.

The CTC provides a tax cut for nearly all families with children.

The CTC helps people raising children on fixed incomes, like grandparents and people with disabilities.

- Statements that sound too exaggerated, such as saying the CTC will end child poverty, help them earn more as adults, make them do better in school or help them graduate high school and college, do not work.
 - While these claims are substantiated by research, many participants do not find them credible.

Message Triangle for Providers

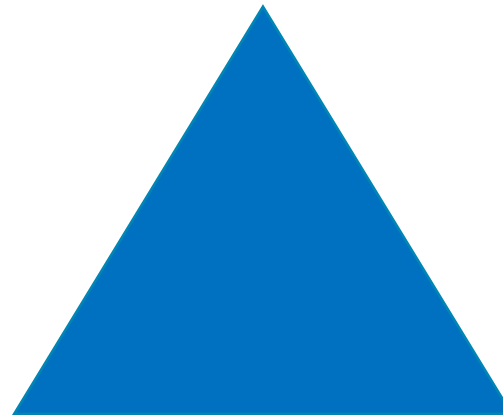
Benefits

You do so much to help the families you work with.

One thing you can do that will make a life-long difference is telling them about the Child Tax Credit and encouraging them to apply for it. When low-income families get even a few thousand dollars more a year, children are healthier, do better in school, are more likely to graduate high school, go to college, and earn more as adults.

It's Worth the Time

You are so busy working to help the families you work with, that adding even one more thing sounds like a lot. But a few minutes encouraging them to apply for the Child Tax Credit could be one of the best ways to help them. The Child Tax Credit can help families meet the costs of raising children, providing up to \$3,600 a year per child to parents or guardians to help them more easily afford the items they need.



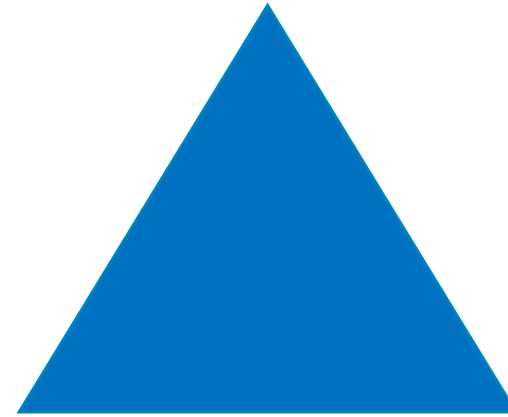
Essential Role

You can play an essential role in connecting the families you work with to the tax help they need to file their taxes and get the Child Tax Credit. The families you work with trust you to provide accurate information and since they are often disconnected from news and other information, you are one of the few places where they might learn they are eligible for the Child Tax Credit and can be encouraged to apply.

Message Triangle for Parents and Guardians

Straight Read

The federal government has expanded a program for families with children so now nearly everyone is eligible to get \$3,000 per child (\$3,600 per child under 6) -- half will be paid* monthly until December and the rest in 2022 after you file a tax return. This will help take some of the burden off the shoulders of parents. There are some protections in place so you won't have to pay this money back even if there was a mistake or a change in your circumstances as long as your 2021 income is less than \$40,000 (\$60,000 for married couples or \$50,000 for heads of households).



Costs of Raising a Child

Raising a child is expensive. Children need food, shelter, and clothing, just to name the basics. All these costs add up to thousands of dollars every year, and hundreds of thousands of dollars over the course of their childhood. The Child Tax Credit can provide some relief from these costs, providing up to \$3,600 a year per child to parents or guardians to help them more easily afford the items they need. Additionally, the benefits will be felt for years as studies have shown that this relief can lead to better health, school performance, and future earnings.

Private Information – General

By law, the information provided to the IRS will remain confidential. Whether you're a citizen or an undocumented resident, your information will only be used by the IRS to determine what you owe in taxes or should receive in tax credits or refunds. The IRS may not disclose tax information without your permission to non-governmental parties like landlords or debt collectors and it is unlawful for the IRS to release taxpayer information to government agencies except the Treasury Department related to tax collection investigations or a court order connected to a criminal investigation. The protections against the disclosure of information can only be changed by Congress.

*Includes exact language tested among groups. Moving forward, messaging will need to be updated to include filing requirements to receive money upon completion of a tax return instead of as advance payments. Concerns may still exist around issues such as owing taxes previously or getting in trouble for not filing previously.

Here are some additional messages that worked well for parents and guardians:

Additional messages for parents and guardians:

[MONTHLY] It is the story of the American family, parents who will do anything for their children and parents who deserve to be seen and understood as they juggle their responsibilities every month. Every month the rent becomes due. Every month families need to buy groceries and gas and to pay for utilities and car loans. One unexpected expense could mean the difference between taking on more debt or losing it all. The child tax credit can help with these expenses. Making sure you and your family get the monthly help the tax credit provides is important. Reach out for help.

[PRIVATE INFORMATION – IMMIGRANTS] Immigrants who do not have a Social Security number can file using an Individual Taxpayer Identification Number (ITIN). Over 2 million people safely file their taxes using an ITIN every year. Filing your taxes will not affect your immigration status. The IRS has strong privacy protections in place to ensure that immigrants who report their income and file their taxes are not at risk of having their information shared with other government agencies. Receiving tax credits does not reduce other benefits, such as SNAP/food stamps, and is never considered negatively when immigrants apply for green cards or other forms of legal status.

[CHILD CHECKS] Despite its name, the Child Tax Credit is not a tax or a loan. And it has no strings attached. Really, the Child Tax Credit could be described as Child Checks, because it's like getting checks for just having a child and you get to keep every dollar. The program was designed to help families with the high cost of raising children; from the cost of school supplies to making sure you have enough for groceries and gas, to help paying utility bills. Don't let your family and your kids miss out on the money, every child deserves the chance to reach their full potential.

Additional messages that worked well for specific groups:

Black parents	Monthly; although overall effective, several do not like the “reach out for help” phrase at the end.
Immigrant parents	Private Information -- Immigrants
Guardians	Child Checks

Summary – Weaknesses in Messaging

- Across groups, many parents dislike *Don't Miss Out* the most. Some feel the message implies they are not taking care of their families adequately without the CTC.
 - However, many parents did like parts of the message, such as “wobble room.”
- Others feel it sounds like an advertisement. Many parents are skeptical of messages that sound too much like commercials.
- Some parents are still skeptical about protections against sharing information, such as with immigration officials, even when confidentiality is promised.
- Many parents do not believe that a bit of money can change someone's life. Many are proud of how they have provided for their children already without the CTC. Some do not like tying the CTC to affording necessary, life-or-death things like medications, implying they would not survive without the Child Tax Credit.
- Almost all school providers give *Not Hard* a zero rating because many felt it sounded like they were pushing too hard for providers to help.

Overall Weakest Messages Tested:

[DON'T MISS OUT] An unplanned or surprise expense can create havoc with any families' budget. Getting money from the Child Tax Credit can help families facing these unexpected times and give them something to help them make it through. It can give family budgets some wiggle room by providing some extra funds to pay the bills, keep the lights on, and put gas in the car. Don't miss out on enrolling in the Child Tax Credit to receive money that can benefit your family and can help meet some of the expenses that come with having children.

[NOT HARD] You can help families get the Child Tax Credit without being a tax expert. They trust you to give good advice, which you can provide by sharing available accurate information, like the amount of money they would be able to get and the importance of that money to their family, and you can steer them to free tax preparers who will help them file their taxes and claim the credit.

Summary - Reaching Parents, Guardians, and Providers

- **Social media** is one of the most suggested sources of information about the CTC.
- Many parents visit the IRS website first for information on applying.
- **Guardians split on trusting faith leaders** because they may not have young children and their churches are affiliated with non-profits, so they become less credible.
- Many providers want resources available in public spaces that parents frequent often, especially those that already provide access to internet/technology or people who can assist them in applying.
 - **Some name the library, healthcare clinics, and schools as potential places for resources.**
- Many providers would like **accessible and visual information** they can give to families.
 - Some recognize **low literacy** as a barrier. Some suggest using videos to share information with little or no text.
 - Other providers note their concerns about information-sharing via videos because videos take a lot of data, and some of the families they help may not be able to afford large data plans.
- Many providers want elements like a **QR code, step-by-step instructions for how to apply, FAQs on eligibility, and clear information stating that the CTC is a federal program.**

Recommendations for Parents and Guardians

Define the Child Tax Credit, eligibility, and how to apply

Information should lay out how much money parents could receive, how it would affect other aspects of their lives such as other program payments or immigration status, and the steps necessary to successfully apply.

- *Highlight that it is currently necessary to file taxes to become eligible. However, this may change when the new non-filer portal is unveiled.*
- *Emphasize confidentiality.*
- *Let guardians know they are also eligible to apply.*
- *Stress that families do not need to pay back the money and will not get in trouble with the IRS.*
- *Tell them it won't impact other benefits.*
- *Provide information about the non-filer portal.*

For undocumented parents and parents who are experiencing homelessness

Information must address the larger barriers or concerns that more vulnerable populations may hold.

- *Highlight that banking information and IP PINs are recommended but not necessary.*
- *Emphasize that personal information will remain confidential, especially coming from more credible sources such as immigration attorneys.*
- *Clarify who can file for the CTC when there is split custody.*

Meet people where they are

- *Provide materials with links that take them directly to the IRS website.*
- *Establish trusted people in the community who can help them apply at no cost. Minimize time waiting in line or on hold.*
- *Reach parents through social media, libraries, schools, and other places they already frequent.*
- *Share testimonies from parents who have successfully received the CTC.*
- *Provide visuals, such as videos, flyers, or brochures, that lay out how to apply, minimize reading, and avoid jargon.*
- *Mention the necessary documents needed when applying and where to go to start applying or ask for help.*
- *Use already trusted organizations to publicize information and establish trust in a federal program many currently view as too good to be true.*

Messaging and language

- *Use statements that include “parents like you” language and focus on paying bills, covering what your family needs, or taking care of your children.*
- *Don't promise life-changing effects. Lay out the facts of the CTC without making it sound like an advertisement. Avoid language like “don't miss out.”*

Recommendations for Providers

Educate providers on essential information and eligibility

- *Give providers the background they need to feel confident in assisting parents and guardians, such as a list of necessary documents and eligibility.*
- *Let them know that getting the CTC does not reduce other benefits like SNAP.*
- *Inform them that most families will not need to pay back CTC funds if they were mistakenly provided.*
- *Provide more background on how to help people file their taxes, or where to redirect parents to tax specialists who can help.*
- *Remind providers that they may be eligible themselves.*

Resources and strategies to reach parents

- *Name other places providers can redirect people if they are unable to help parents themselves or feel it is not their responsibility.*
- *Provide them with case studies they can share with parents to demonstrate successful enrollment or receive assistance in applying.*
- *Emphasize how testimonies—both from providers and parents—plays an important role in publicizing information about the CTC.*
- *Provide them with resources they can use for themselves or give directly to parents, such as brochures or flyers, and use QR codes to redirect them to even more detailed information.*
- *Provide them with digital resources to share with people they do not interact with face-to-face, or when they do not have enough time in their meetings to explain the CTC and how to apply.*

Messaging and language

- *Avoid overpromising the impact of the CTC. Be realistic and stress that it can cover essential costs for families.*
- *Emphasize that just a few minutes of their time could make an impact in helping families apply. Use messaging that says it is worth their time to help people apply, and that they play an essential role in helping parents apply.*
- *Remind providers that the CTC can help people raising children on fixed incomes, like grandparents and people with disabilities, can help parents take care of their children, and lets parents pay for the things they know their family needs.*
- *Emphasize to providers that they are trusted and one of the few places families would learn about the CTC.*

LRP

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