



The California children who may miss the 2021 federal Child Tax Credit

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SUMMARY

The newly expanded federal Child Tax Credit (CTC) will provide a significant financial boost for families throughout the US. While most families have already received advanced payments of the new CTC, some low-income families will likely miss out on receiving some or all of the credit because they have not filed a tax return in either of the last two years. This brief sheds light on which Californian children and families are at risk of not receiving the CTC. Using matched social services and state tax data, we analyze the characteristics of over 650,000 children who we estimate are at risk of not receiving the expanded CTC.

Among at-risk families for whom we can analyze earnings and household composition, most are headed by a single adult and have little or no wage earnings. Almost half of all children at risk of not receiving the CTC are either part of families headed by undocumented adults or are headed by an adult who would usually not file their own tax return because they could be claimed as a dependent. More than half of children at risk are identified as Hispanic and one-third live in households where English is not the primary language.

One main reason that these children may miss out on the CTC is that their families had little reason to file taxes before the pandemic. We recommend that efforts to deliver the CTC should focus on helping these marginalized households file tax returns and claim the partial credit in 2021, and to file returns again in 2022 to receive the full credit.

INTRODUCTION

In March 2021, as part of the American Rescue Plan Act of 2021, Congress authorized a temporary, one-year expansion of the Child Tax Credit (CTC), providing up to \$3,600 to most children under the age of 6 and up to \$3,000 to most children ages 6 to 17. Families with incomes of up to \$150,000 are eligible to receive the full credit and, for the first time, families with zero earnings also became eligible. The expanded credit is [projected to cut child poverty](#) by 40%.

Instead of distributing the CTC as one lump-sum payment upon filing a return, the first half of the new CTC is being distributed to eligible families in the form of advanced monthly payments. The Internal Revenue Service (IRS) began distributing the first half of these payments in July 2021. However, to receive the other half of the CTC, families will need to file a tax return in 2022.

The CTC is currently being disbursed to eligible families who filed either a 2019 or a 2020 tax return.¹ But because households with little or no income are not generally required to file tax returns, there is concern that the IRS is unable to send automatic CTC payments to low-income families that do not file a return. Identifying which families are most at risk would help ensure that the CTC reaches the most vulnerable California children. But which children and families are at risk of not receiving these and other anti-poverty tax credits in California was not known to tax or human-service agencies prior to this research partnership.

OUR ANALYSIS

To better understand which children and families are at risk of not receiving the expanded CTC, our study combines California tax records with information on participants in key safety-net programs. While many low-income families do not file tax returns, many *do* regularly interact with programs like the Supplemental Nutrition Assistance Program (SNAP, or CalFresh in California) and Temporary Assistance for Needy Families (TANF, or CalWORKs in California), administered by state or county human-service agencies. Because these services are accessed by the most vulnerable families, these agencies have contact information for some of the families at risk of not receiving these and other anti-poverty tax credits. This information can inform targeted outreach efforts.

We match enrollment records from county-administered TANF and SNAP programs² with state tax data to identify “at-risk” children and families who have low incomes and did not file a state tax return for the 2019 Tax Year.³ These children and families likely have not received CTC monthly payments. This work relies on the same linked dataset that the California Policy Lab (CPL) used to estimate the [Stimulus Gap](#), and the same methodology we used to estimate [take-up of the California Earned Income Tax Credit](#).

By linking this data together, we find approximately 650,000 children enrolled in one of these safety net programs did not appear on a 2019 tax return. We consider these children to be “at risk” of not receiving the CTC. However, since we do not observe either federal tax filings or 2020 returns, our estimate is an upper bound of the true number of at-risk children in the state. Accordingly, the main focus of this analysis is on the *types* of children and families who are at risk. Our estimates of take-up by demographic characteristics and household types appear stable across past years of tax data.

WHICH CHILDREN ARE AT RISK?

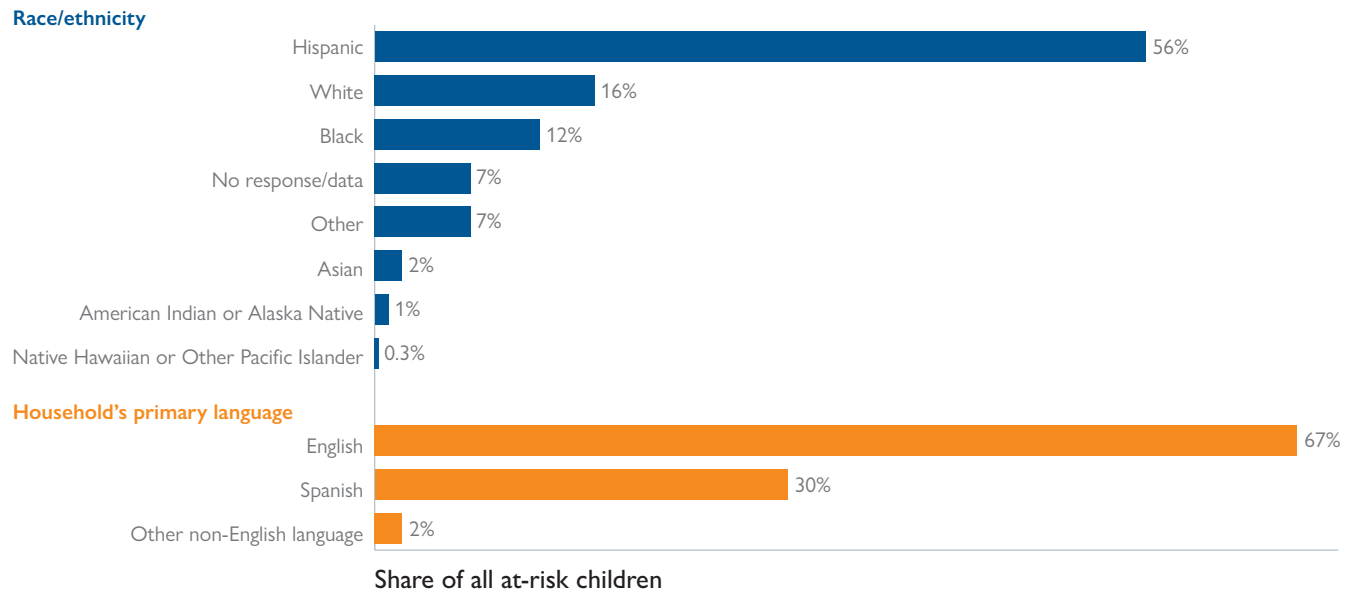
We estimate that at least three-quarters of children enrolled in safety-net programs (close to two million Californian children) likely received an advanced CTC payment because their households filed at least a 2019 return ([Appendix Table 2](#)).⁴ However, roughly a quarter of children (around 650,000) do not appear on a TY 2019 return and therefore are at-risk of not receiving the CTC.

Among children at risk of not receiving the credit:

- Over half (56%) are identified as Hispanic.
- One-third live with families whose primary language is not English.
- Certain communities are at higher risk of not receiving the credit, including American Indian or Alaska Native children, children in northern or more rural counties (see [interactive map](#)), and children in families whose primary language is not English.

FIGURE 1: Demographics of children at risk of not receiving the CTC

Children identified as Hispanic make up the majority of children at risk. Almost one in three children at-risk live in a household whose primary language is Spanish.

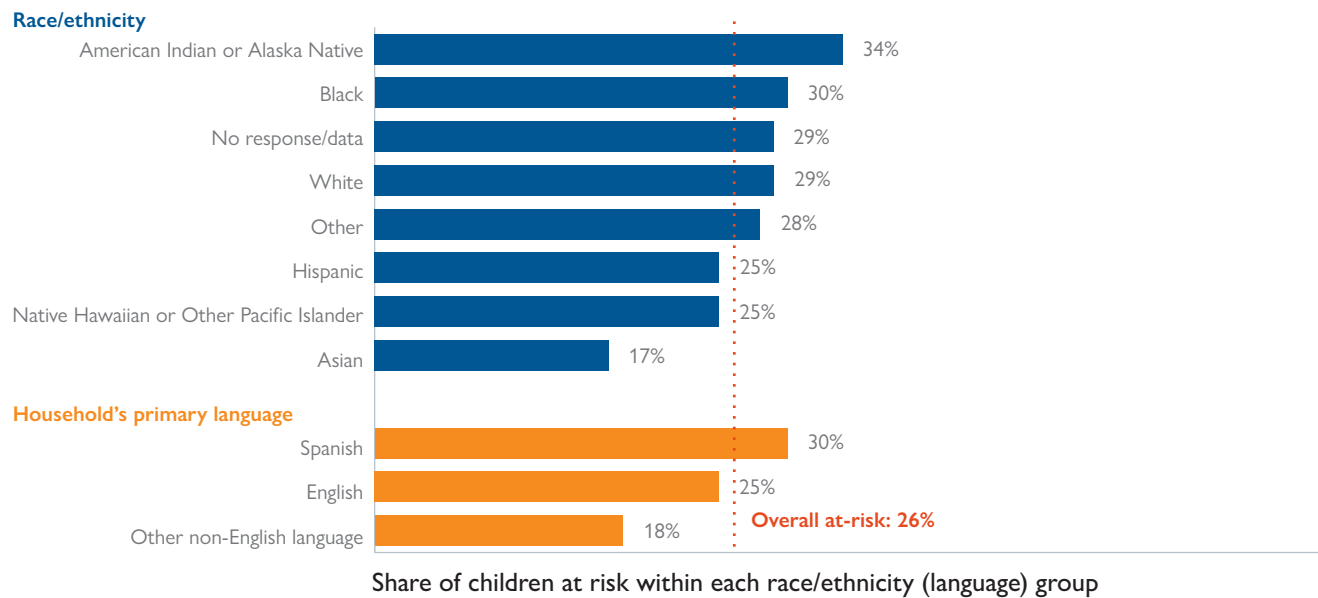


Notes. Sample size is 654,163. Totals may not add up to 100% due to rounding. See [Appendix Table 4](#) for more information on race/ethnicity and language variables.

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

FIGURE 2: Demographic groups at highest risk of not receiving the CTC

Children identified as American Indian or Alaska Native or who speak Spanish are at highest risk of not receiving the CTC.



Notes: Sample size is 654,163. Totals may not add up to 100% due to rounding. See [Appendix Table 4](#) for more information on race/ethnicity and language variables.

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

THE FAMILIES AT RISK

Parents or guardians must claim the CTC on a child's behalf. Understanding more about the parents, guardians, and families of children who are at risk can help policymakers ensure the credit is delivered to all children who qualify. See the appendix for how we associate children with adults who can claim them on a return.⁵

The characteristics of at-risk families are striking and should inform potential outreach strategies. Using income and household information that was available for about half of

at-risk children enrolled in SNAP or TANF, **we find that most of the children live in single-adult-headed households with extremely low incomes.** Single adults head 84% of these households (Figure 4A), 80% of whom are female. Households with very low or no wage earnings⁶ are at highest risk for not receiving the credit. Two-thirds of at-risk households have no wage earnings, and 81% have less than \$5,000 in wage earnings (Figure 4B).

FIGURE 3: Children at risk of not receiving the CTC, by family type



Notes: Sample size is 556,003.

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

FIGURE 4A: Percent of families at-risk of not receiving the CTC, by household type

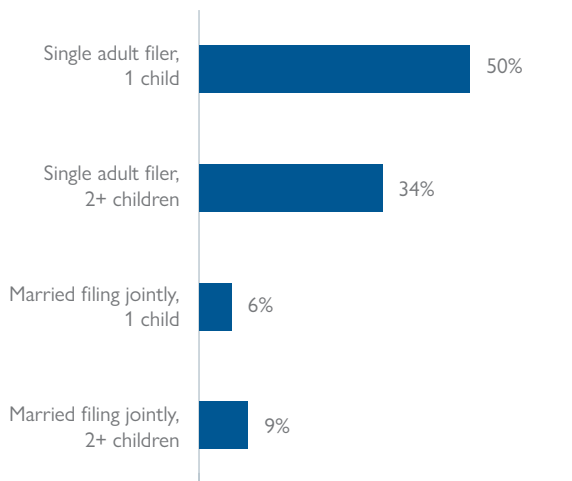
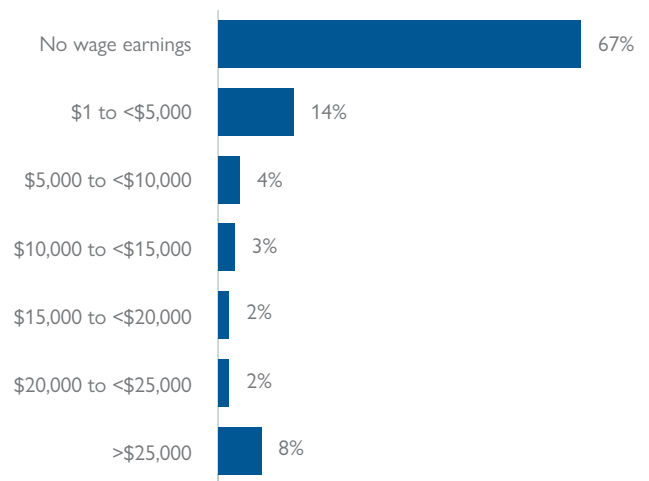


FIGURE 4B: Percent of families at-risk of not receiving the CTC, by wage earnings



Notes: Sample size is 170,960 families. Totals may not add up to 100% due to rounding.

Source: California Department of Social Services data (2019–20), Franchise Tax Board data (TY 2019).

The other half of children at-risk (49%) reside in households where we do not have enough information to analyze their household income or family structure. However, the data we have about these families provide some clues as to why they may have filed a return. Of the children at risk who receive SNAP and TANF (Figure 3), 26% do not appear on a case with an adult. Though children may appear by themselves on a SNAP or TANF case for multiple reasons, a common reason is that they are citizen children of undocumented parents. These children are eligible for the CTC, but since we cannot see their parents or guardians on their SNAP case, we are unable to report information about their earnings or household composition.

Another 23% of children appear on a SNAP or TANF case with an adult who, due to their earnings, age, or disability status, meets the profile of someone who would normally be claimed as a dependent on a return (or who has been claimed as a dependent on a past return). For example, this could include a disabled adult who has children in their household. Since these adults typically would not file a return themselves, we do not include them in our analysis of income or family composition.

These findings underscore the reality that most of the families at risk of missing the CTC have a family structure that differs from typical tax units and may have had little reason to file a tax return together prior to the pandemic. The pandemic marked a first-time expansion of eligibility for tax credits (like the CTC and stimulus payments) to citizen children living in households headed by undocumented adults, as well as to families with little to no income. Similarly, families with an adult who, in the past, was claimed as a dependent on another return due to their earnings profile or disability status, may find it advantageous to file their own tax return in TY 2020 and TY 2021 in order to receive the CTC.

LIMITATIONS OF OUR ANALYSIS

These findings are the first to use linked tax and social-services data to estimate individual-level eligibility for the newly expanded CTC. While we have confidence in our estimates of the *types of children* and families at-risk of not receiving the CTC, our estimates risk overstating the *number of children* at-risk in three ways. First, the IRS is using 2019 and 2020 tax data to determine who will receive an advanced payment of the CTC in 2021, but we use only TY 2019 data.

Some children who do not appear on a TY 2019 return will appear on a TY 2020 return. Even prior to the pandemic, many families filed taxes in one year but not in another. During the pandemic, more non-filers may have filed a return to claim newly available anti-poverty tax credits during the pandemic. At the time of this analysis (summer 2021), TY 2020 data was not made available to CPL. We are able to partially account for this issue by incorporating TY 2018 data; we identify which children and families identified as at-risk using only 2019 data also do not appear on a return in 2018. This way, we can identify which types of children and families are likely to not appear on a tax return for two straight years. We find that demographics of non-filers are similar whether we use one or two years of tax data. See the appendix for fuller discussion of this analysis.

Second, we are unable to observe how many families used the IRS non-filer portal, which was created to help the at-risk families described in this analysis. However, as of June 2021, the IRS reported that **720,000 children** nationwide had received the first installment of the CTC automatically because their parent or guardian filed a return through last year's portal. Though we do not know what share of those children live in California, it is unlikely to be much more than 85,000 because California accounts for 12% of the US population.

Third, we cannot observe the federal tax returns from TY 2019 for any household who did not file a California state tax return. We estimate that roughly 300,000 dependents in California appeared on only a federal return and were claimed by households under the tax-filing threshold. A smaller proportion of these 300,000 federal-only filers might appear as non-filers in our analysis, meaning that we may be overstating the magnitude of children at-risk.

In June 2021, the US Department of the Treasury released an estimate of the number of children in each zip code across the country who might be at risk of not receiving the CTC. Treasury used a different method that identified children reported on a 2020 health insurance plan (including public and private plans) but that did not appear on a 2019 or 2020 tax return.⁷ Their analysis estimated that approximately 370,000 children in California are at risk of not receiving the credit. Our estimates are higher than the Treasury estimates for the reasons stated above. However, since some at-risk children were likely uninsured in 2019 and 2020, Treasury's estimate might understate the number of eligible children who are not receiving advanced CTC payments.

RECOMMENDATIONS

On June 14th, the IRS re-launched its [non-filer portal](#) so that additional families can claim the stimulus payments introduced during the pandemic, including the CTC and stimulus payments, without filing a full tax return. On August 13th, the US Department of Treasury announced a [new partnership](#) with Code for America to launch a mobile-friendly, multi-lingual portal in September 2021 called [GetCTC.org](#). These portals will be vital for families who traditionally do not file their taxes. Going forward, CPL recommends:

- 1. States should play a key role in connecting families to credits.** The California Department of Social Services (CDSS) is using this research to inform outreach to at-risk families and encourage them to use these non-filer tools to file a return and claim their stimulus payments. California is planning a multi-lingual and multi-modal outreach effort that will include recorded voice messages, text messages, and emails directing families to mobile-friendly tax filing solutions. Other higher-touch interventions, such as hotline support, remote tax preparation services, and navigator outreach, could help these families successfully submit a return through the portal. We recommend that human-service agencies in other states also conduct outreach to families with children enrolled in these programs, especially those with earnings below the filing threshold, and make them aware of the non-filer tool. State agencies should also collaborate, where possible, to codify inter-agency authority and data-sharing agreements to establish a framework for future tax-filing outreach efforts.
- 2. The IRS should enable states to identify and contact families about the non-filer portal.** The IRS could allow, through a secure portal, state human services agencies to verify whether their program enrollees were issued a payment without necessitating the exchange of data between parties and avoiding the exchange of federal or state data. This measure would allow states to focus resources on those who need the most assistance.
- 3. The IRS should explore ways of making it easier for non-filers to claim the rest of their credit in 2022, without penalizing them if they fail to claim the rest of the credit.** Families that receive the credit this year will receive half of their payments in advanced installments upon filing a TY 2020 return. However, to claim the other half of the credit, families will have to file a TY 2021 return (in calendar year 2022). Given the expansion of the credit, families who have traditionally

had little reason to file taxes may file a return in TY 2021 — increasing tax-filing rates among families below the non-filing threshold. However, for some families, tax filing will continue to be an obstacle to claiming these credits. Policymakers should continue to address the barriers these families face to tax filing and provide resources or simplify the process for these families to claim the rest of the credit. Furthermore, the IRS should ensure that if families do not file a return in 2022, they will not be required to pay back the advanced credit they already received. Finding ways to make it easier for typically non-filing populations to claim the rest of the CTC could help ensure all eligible families receive the credit and lift millions of children out of poverty.

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The findings reported herein were performed with the permission of the California Department of Social Services and the California Franchise Tax Board. The opinions and conclusions expressed herein are solely those of the authors and should not be considered as representing the policy of the collaborating department, agency, or any department or agency of the California government.

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APPENDIX

Methodology

The California Policy Lab matched individual-level monthly enrollment records from January 2019 through June 2020 for all safety-net programs administered by the California Department of Social Services (CDSS) to TY 2019 state tax returns filed with the California Franchise Tax Board by August 2020. From this merged dataset, we identify all children in the CDSS records who do not appear on a state tax return.

Matching CDSS and FTB data

To link anonymized, individual-level data from both departments, CPL developed a process to encrypt personally identifiable information using a cryptographic hashing technique before CDSS and FTB transferred data to CPL. Once each department hashed its data, CPL went through a series of exact and probabilistic matches to link tax data to safety-net data. We identify both exact and near matches on unique identifiers such as Social Security number (SSN), first name, last name, and date of birth. This process involved nine rounds which matched records on various permutations of exact and probabilistic matching. These rounds allow for potential transcription errors and typos that might happen when Californians fill out a tax form or an application for a safety net benefit (e.g., a typo in SSN, first names are spelled differently but match phonetically on each form while last name matches exactly).

Virtually all matches occur with some exact match on SSN and at least first name, last name, or date of birth. [Appendix Table 10](#) summarizes each round of matching between TY 2018 and 2019 data with enrollment data from CDSS from 2018–20, the number of matches in each round, and the total number of matches between the CDSS and FTB data. Around 65% of Californians enrolled in CDSS programs in our data appear on a tax return between 2018 and 2019.

Child-level estimates

Among the children who do not appear on a 2019 state tax return, we identify children who would be eligible for the expanded CTC. We only include children who will be under the age of 18 by December 31, 2021. All children adopted prior to June 2020, and whose adoption status we can observe in the CDSS data, are counted as eligible for the credit — children who reside with an adult for at least

half the calendar year can be claimed by that adult for the purposes of the CTC.

Our sample includes enrollment data across all safety-net programs administered by CDSS. CDSS's two largest safety-net programs are CalFresh (SNAP) and CalWORKs (TANF). Other safety-net programs under the oversight of the CDSS include Supplemental Security Income/State Supplementary Payment (SSI/SSP), the In-Home Supportive Services (IHSS) Program, Adoption Assistance Program (AAP)/Aid Adoption of Children (AAC), Approved Relative Caregiver (ARC) program, Cash Assistance Program for Immigrants-Qualified (CAPI-Qualified) Aliens, Entrant Cash Assistance (ECA), Foster Care, Former Foster, KinGAP Cash Assistance, and Refugee Cash Assistance (RCA), and the Trafficking and Crime Victims Assistance Program (TCVAP).

We exclude any child or case who has a missing county code and whose most recent zip code on record is outside the state of California in case their parents or guardians filed a return in another state, which we cannot observe.

Family-level estimates

To understand the characteristics of the adults and households with children at risk of not receiving the credit, we simulate tax-filing units (groups of family members who can file taxes together) among non-filers. Constructing likely tax units from these data is not straightforward. SNAP and TANF households as observed in case data may not coincide with tax units for many reasons. In particular, adults who can claim a child for the CTC must live with that child for most of the year, have a family relationship with the child, and cannot be claimed as an adult dependent on another return. SNAP cases, in contrast, contain individuals who tend to prepare and share meals together.

We restrict this household-level analysis to the approximately 550,000 children who were enrolled in SNAP or TANF at some point between 2019 and mid-2020. We limit to children enrolled in TANF and/or SNAP because 1) we only have case-level records for these programs and 2) we need case information to associate children with adults who might claim them on a return. Since program eligibility is determined at an individual level for programs other than SNAP and TANF, we are unable to observe or infer any characteristics about parents or guardians for children only enrolled in other programs, so we exclude them from the analysis. We still include these children in the child-level results.

To group individuals who share a CalFresh (SNAP) or CalWORKs (TANF) case into a tax-filing unit, we implement a series of assignment rules, leveraging the high-frequency enrollment data and demographic characteristics available in our CDSS records. For a detailed discussion of our simulation, see the discussion starting on page 11 of our [current working paper](#) on estimating take-up of the CalEITC. We estimate earnings within these households using adults' quarterly wage-earnings records from the California Employment Development Department.

Even though at-risk children enrolled in SNAP or TANF can be associated with an adult who might claim them on a return, not all children actually appear on a case with such an adult. Below, we discuss the three types of SNAP or TANF cases in which we find at-risk children, and for which we can actually predict a likely tax unit.

- 1. Children who have no parent or guardian on their case.** In all cases, this is because the parent or guardian is ineligible to receive assistance. These are mostly parents or guardians who are ineligible due to their immigration status.
- 2. Children who appear on a return with a “likely adult dependent.”** We predict whether non-filing adults are likely-head filers or adult dependents using their age, earnings, disability status, and whether they appeared as a filer or dependent in previous tax years. For example, if a child appears in a case with only a disabled adult with no earned income, we would be concerned that the adult could also be claimed as a dependent on a return rather than file a return by themselves.
- 3. Children who appear with a “likely-head filer” on the case.** These SNAP or TANF cases contain at least one adult who is between the ages of 25 and 80 who do not meet the profile of an adult dependent, as predicted above. As discussed above, we refer to these adults as “likely-head filers.” Since we can actually observe a possible filer with the child, we are more confident that these households represent true potential tax units. Among these households, we report descriptive statistics related

to family structure (single versus married) and income, since these are the families we are reasonably confident represent a likely tax-filing unit.

Using two-years of tax data

A child is eligible to receive advanced CTC payments if they appear on either a 2019 or 2020 tax return. CPL did not have access to 2020 tax returns when we conducted this analysis, so we defined children as at-risk only if they did not appear on a 2019 return. To evaluate how our results might change if we could include two years of tax returns, we also identified which CDSS program participants appeared on a 2018 return. We find that 28% of the children we defined as at risk using 2019 data did appear on a 2018 tax return. If we assume that the same number of 2019 non-filers would appear on a 2020 return, our estimate of at-risk children falls to roughly 470,000, which is more in line with Treasury's estimate. Importantly, we find demographic trends in non-filing are similar regardless of whether we use one or two years of tax data. The distribution of the children at risk by age, language and race, and by families at risk by simulated filing status and earnings, are all similar whether we consider 2018 and 2019 tax returns, or just 2019. The relative ranking of take-up rates by these demographic characteristics are also similar whether we consider 2018 and 2019 returns, or just 2019. While 2020 is a unique year for tax filing, we conclude our analysis of the types of children and families at risk by demographic characteristics will likely be similar when including 2020 returns. Since eligibility is not actually affected by 2018 filing, we only present results using 2019 tax returns.

Appendix Tables

APPENDIX TABLE 1: California children eligible for the CTC, by receipt and risk of non-receipt

All eligible children in California	7,865,000	100%
Children in safety-net programs	2,505,589	32%
Children in safety-net programs receiving CTC	1,851,426	24%
Children in safety-net programs at risk of nonreceipt	654,163	8%

Source: Center for Budget and Policy Priorities; California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

APPENDIX TABLE 2: California children enrolled in safety-net programs, by receipt and risk of non-receipt by age

	ELIGIBLE CHILDREN IN SAFETY-NET	AT RISK OF NOT RECEIVING CTC	% OF CHILDREN AT RISK OF NONRECEIPT BY AGE	% OF TOTAL CHILDREN AT RISK	\$ AT RISK OF NOT BEING CLAIMED	\$ AMOUNT OF ESTIMATED ADVANCE PAYMENTS DELIVERED BY END OF 2021
Children age 0–5	594,289	189,976	32	29	683,913,600	727,763,400
Children age 6–17	1,911,300	464,187	24	71	1,392,561,000	2,170,669,500
All children 0–17	2,505,589	654,163	26	100	2,076,474,600	2,898,432,900

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

APPENDIX TABLE 3: California children at risk of missing CTC, by safety-net program

SAFETY-NET PROGRAM	ELIGIBLE CHILDREN	AT RISK OF NOT RECEIVING CTC	% IN EACH PROGRAM AT RISK	% OF CHILDREN AT RISK
CalFresh	1,370,915	289,647	21	44
CalWORKs	50,263	16,484	33	3
CalFresh and CalWORKs	885,475	249,872	28	38
Neither CalFresh nor CalWORKs	198,936	98,160	49	15
Total	2,505,589	654,163	26	100

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

APPENDIX TABLE 4: California children at risk of missing CTC, by race/ethnicity

RACE/ETHNICITY	ELIGIBLE CHILDREN	AT RISK OF NOT RECEIVING CTC	% IN EACH RACE/ETHNICITY	% OF CHILDREN AT RISK
American Indian or Alaska Native*	9,887	3,411	34	<1
Asian**	90,252	15,054	17	2
Black	263,042	77,731	30	12
Hispanic	1,466,460	365,146	25	56
Native Hawaiian or Other Pacific Islander**	7,250	1,823	25	<1
No response/data	159,443	46,227	29	7
Other	154,354	43,079	28	7
White	354,901	101,692	29	16
Total	2,505,589	654,163	26	100

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

Notes: Totals may not add up to 100% due to rounding.

Race/ethnicity variable from Medi-Cal Eligibility Data System (MEDS). The variable combines concepts of race and ethnicity. It is also a combination of self-reporting and social-worker visual identification (applicants are asked to provide their self-identified race/ethnicity, but if they do not mark anything the eligibility worker will enter a value based on their own visual assessment). Because of this mix in reporting, we say that individuals are “identified as” a particular group in the data. In 2020, CDSS discontinued this policy, only permitting self-identification of race and ethnicity. The demographic distribution of race/ethnicity in the CDSS data is comparable with the distribution of California households on food stamps by race/ethnicity from the American Community Survey (2019). Table includes “Two or more races” under “Other” due to small cell size. Those who are identified as Hispanic in the data are reported in the data as a distinct category alongside other categories in Table 4.

* Our analysis captures individuals in safety-net programs administered by CDSS who identify as American Indian or Alaskan Native but do not live on tribal land and/ or earn tribal income. Individuals who earn tribal income are exempt from state tax filing in California and may not appear as having received a payment automatically in our data. However, among those earners who qualify for safety-net programs, most are also likely eligible for tribal safety-net programs — such as the Food Distribution Program on Indian Reservations and Tribal TANF — and would not appear in the MEDS data.

** CDSS reports eight ethnicities that are grouped by the US Census into an “Asian” category (Asian Indian, Cambodian, Chinese, Filipino, Japanese, Korean, Laotian, and Vietnamese), and three ethnicities that are grouped by the US Census as “Native Hawaiian and Other Pacific” (Guamanian, Hawaiian, and Samoan). Due to small cell sizes, we are unable to report each category distinctly, and use the US Census race/ethnicity categories to best capture the distinct take-up rates across all these categories.

APPENDIX TABLE 5: California children at risk of missing CTC, by household's primary language

PRIMARY LANGUAGE	ELIGIBLE CHILDREN	AT RISK OF NOT RECEIVING CTC	% IN EACH CATEGORY	% OF CHILDREN AT RISK
Spanish*	669,364	199,094	30	
Vietnamese*	14,693	1,571	11	
Arabic*	11,058	1,746	16	
Other languages	51,597	10,568	20	
Total Non-English	747,037	213,151	29	33
English	1,758,552	441,012	25	67
Total	2,505,589	654,163	26	100

* Top 3 languages in the case data

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

Notes: Totals may not add up to 100% due to rounding.

APPENDIX TABLE 6A: California children at risk of missing CTC, by family type

	AT-RISK CHILDREN	% OF AT-RISK CHILDREN
All at-risk children	654,163	100
On a non-SNAP/TANF case	98,160	15
On a SNAP/TANF case	556,003	
Lives with an adult who can claim them on a return	286,171	44
Lives with an adult dependent	127,671	20
No adult on case	142,161	22

Source: California Department of Social Services data (2019–20).

Notes: Totals may not add up to 100% due to rounding.

APPENDIX TABLE 6B: California children at risk of missing CTC, by family type: SNAP and TANF households only

	AT-RISK CHILDREN	% OF SNAP/TANF ONLY
On a SNAP/TANF case	556,003	100
Lives with an adult who can claim them on a return	286,171	51
Lives with an adult dependent	127,671	23
No adult on case	142,161	26

Source: California Department of Social Services data (2019–20).

Notes: Totals may not add up to 100% due to rounding.

APPENDIX TABLE 7: Tax-units with at least one child at risk of not receiving the credit, by filing status

FILING STATUS	ELIGIBLE TAX UNITS	AT-RISK TAX UNITS	% IN EACH CATEGORY	% OF TOTAL AT-RISK TAX UNITS
Head of household				
1 dependent	371,419	86,301	23	50
2 dependents	203,547	36,923	18	22
3+ dependents	95,531	21,080	22	12
Married filing jointly				
1 dependent	48,779	11,019	23	6
2 dependents	51,353	8,433	16	5
3+ dependents	43,922	7,204	16	4
Total	814,551	170,960	21	100

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2019).

Notes: Totals may not add up to 100% due to rounding.

APPENDIX TABLE 8: Tax units with at least one child at risk of not receiving the credit, by wage earnings

WAGE EARNINGS	ELIGIBLE TAX UNITS	AT-RISK TAX UNITS	% IN EACH CATEGORY	% OF TOTAL AT-RISK TAX UNITS
No income	213,093	114,039	54	67
\$1–\$5,000	87,263	23,733	27	14
\$5,000–\$10,000	73,503	7,646	10	4
\$10,000–\$15,000	75,549	5,092	7	3
\$15,000–\$20,000	72,493	3,889	5	2
\$20,000–\$25,000	70,361	3,277	5	2
>\$25,000	222,289	13,284	6	8
Total	814,551	170,960	21	100

Source: California Department of Social Services data (2019–20), Franchise Tax Board data (TY 2019), and Employment Development Department (2019).

APPENDIX TABLE 9: Tax filing over multiple years

FILING STATUS	NUMBER OF CHILDREN	% OF TOTAL
At-risk children who appear on TY 2018 return	180,067	28
At-risk children who do not appear on a TY 2018 tax return	474,096	72
Total eligible children	654,163	100

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2018 and 2019).

APPENDIX TABLE 10: Match rate between tax and safety net data by round

ROUND OF MATCHING	NUMBER OF MATCHES	% OF ALL MATCHES
Perfect match on SSN, FN, LN, and DOB	1,660,628	28
Perfect match on SSN + 2/3: FN, LN, or DOB	830,677	14
Perfect match on FN, LN, DOB + fuzzy match on SSN	3,488	<1
Perfect match on SSN + perfect match on FN, LN, or DOB	3,426,514	58
Perfect match on FN, LN, or DOB. Fuzzy match on SSN and DOB	1,026	<1
Perfect match on LN & DOB. Fuzzy match on SSN and FN	687	<1
Perfect match on FN & DOB. Fuzzy match on SSN and LN	452	<1
Perfect match on FN, LN, and DOB	32,992	<1
Total number of CDSS enrollees that:	NUMBER OF OBSERVATIONS	% OF TOTAL
Appear on a TY 2018 or TY 2019 state return	5,956,464	65
Do not appear on a TY 2018 or TY 2019 state return	3,196,092	35
Total CDSS observations	9,152,556	100.00

Source: California Department of Social Services data (2019–20) and Franchise Tax Board data (TY 2018 and 2019).

Notes: SSN = Social Security Number, FN = First Name, LN = Last Name, DOB = Date of Birth. Totals may not add up to 100% due to rounding.

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Endnotes

- Households that used the IRS non-filer portal to claim an Economic Impact Payment (stimulus payment) are considered to have filed a TY 2020 return.
- Aggregated by the oversight agency, the California Department of Social Services. All data was de-identified by CDSS and FTB prior to analysis.
- TY 2019 was the most recent year of data made available for analysis by CPL.
- Our data represent roughly a third of the 7.9 million children estimated to be eligible for the expanded CTC in California. These children likely represent a large proportion of the children at risk of not receiving the CTC because many reside in households below the filing threshold.
- We limit our analysis of families at risk to children who appear in SNAP or TANF assistance units (also known as cases). This analysis covers 85% of the children at risk. We restrict our analysis to these families because eligibility for SNAP and TANF is determined at the case level – allowing us to observe or infer some characteristics of the adults in the household – as opposed to an individual level.
- As observed in quarterly wage earnings data from the Employment Development Department. Note that these households may have self-employment income that supplements their wage income, which we are not able to observe.
- Households who used the non-filer portal to claim an Economic Impact Payment are considered to have filed a TY2020 return, so children in these households are accounted for in this IRS analysis and are likely to receive the CTC automatically.