

Dear Senator,

As members of the Child Care/Early Learning Coalition, we urge you to vote against the “Tax Cuts and Jobs Act.” This bill would eliminate existing benefits in the tax code for children and families, as well as undermine critical supports, including those related to child care and early education, in the future.

The Senate tax plan threatens child care programs and funding in the future. The Senate tax bill, which consists largely of massive tax cuts for businesses and the wealthy, is estimated to increase the deficit by about \$1.4 trillion over ten years. The budget agreed upon by the House and Senate provides a roadmap of how Congress will seek to offset this increase in the deficit: by cutting federal spending and, in particular, by slashing programs and services that provide working families with a basic standard of living. That means this tax bill will ultimately lead to cuts in programs that are integral to the wellbeing of children and their families, including Medicaid, SNAP, public education, and the Child Care and Development Block Grant.

The Senate tax bill’s proposal to cut the Affordable Care Act would harm children’s health and well-being. The Senate bill would repeal the ACA’s individual responsibility provision, a requirement that most people enroll in coverage or pay a penalty. Estimates from the Congressional Budget Office (CBO) show that repealing the ACA’s individual responsibility provision would increase the number of uninsured by 13 million over 10 years and raise insurance premiums in the individual markets by 10 percent. Children’s health and well-being suffers when their families lack the health insurance they need to see a doctor when they are sick or for preventive care. The Senate has already rejected an attempt to repealing the ACA, and now the bill would sneak this in in order to fund even larger tax cuts for high-income households and corporations.

The Child Tax Credit proposal in the Senate tax bill would not help families who struggle to pay for child care. The Senate tax bill would increase the Child Tax Credit (CTC), but does not make this increase fully refundable. As a result, lower-income families will not receive the full benefit: for example, a single mother working full time at the federal minimum wage and earning \$14,500 would only receive an additional \$75 in CTC benefits. In addition, the tax plan bills adds a new requirement—providing a Social Security Number for each child claimed for the refundable portion of the CTC—which could exclude a significant number of children in immigrant families. This is not an approach targeted to help families striving to make ends meet, and does nothing to address the high cost of child care with which so many working families struggle every day.

The Senate tax bill also takes away other tax benefits that ordinary families rely on. Even though the Senate tax bill proposes increasing the CTC (and doubling the standard deduction),

the bill also proposes eliminating personal and dependency exemptions, eliminating the deduction for state and local taxes, and eliminating deductions for some employment-related expenses. This would leave many families worse off. And the Senate bill makes all of the tax benefits for families temporary, expiring at the end of 2025, even though the proposed corporate tax cuts are all permanent.

There is a better way to help families and children and to build a strong economy now and in the future. Instead of these ill-conceived tax cuts, Congress can help families through the tax code by enacting the Child and Dependent Care Tax Credit Enhancement Act of 2017, and ensure that all children and families who need it get high quality child care and early education by enacting the Child Care for Working Families Act.

Sincerely,

Association of Asian Pacific Community Health Organizations (AAPCHO)
Center for American Progress
Center for Community Change Action
Children's Defense Fund
Children's Leadership Council
CLASP
Every Child Matters
Family Focused Treatment Association
Generations United
Health Care for America Now
Jumpstart
Make it Work
Mi Familia Vota
National Association of Family Child Care Providers
National Association for Bilingual Education
National Association of Social Workers (NASW)
National Council of Jewish Women
National LGBTQ Task Force Action Fund
National Physicians Alliance
National Women's Law Center
NETWORK Lobby for Catholic Social Justice
SparkAction
The Institute on Taxation and Economic Policy
United Auto Workers
Working Families Party
ZERO TO THREE