



DECEMBER 2025 BRIEF

Why The Big Ugly Law is Anything But Pro-Family

The Trump administration is attempting a desperate rebrand of its big, ugly, [deeply unpopular](#) tax law that passed in July. Their strategy is to convince the American people that this law, which overwhelmingly benefits billionaires and big corporations, is in fact “pro-family.” Don’t let them fool you.

The specific “pro-family” provisions the administration is touting — including the Child Tax Credit expansion, expansions to tax credits related to child care, the “Trump accounts,” and education policies—fall far short of what families need. Especially when you take into account the law’s historic cuts to Medicaid and food assistance, which will raise costs for families and make it harder to make ends meet. We’re going to rip the “pro-family” mask off this law and show you who really benefits from these policies (spoiler: it’s the rich).

The Child Tax Credit Expansion Doesn’t Help Families in Poverty

The law expands the Child Tax Credit—but not for the families who need it most. While the law provides an extra \$200 to families making up to \$400,000 per year (the average household income is a [little over \\$80,000](#)), it does nothing to help families with low incomes who are most struggling in this economy. In fact, [19 million children](#) won’t benefit from the full Child Tax Credit this tax season because their families’ incomes aren’t high enough, including roughly 45% of Black children and 60% of children in families headed by mothers.

Even worse, the law prevents millions more families from benefiting from the credit at all. The law excludes [2.6 million children](#) from immigrant families from benefiting from the credit, most of whom are citizens and lawful permanent residents. Overall, these changes to the CTC will [decrease benefits](#) for low-income children by an average of \$100, which is particularly cruel on top of the tax law’s historic cuts to Medicaid and food assistance.

Trump Accounts Are Actually Just Tax Shelters for the Rich

Donald Trump and his allies have hailed the so-called “Trump accounts” in their Big Ugly Bill as the pinnacle of pro-family policy. In reality, these accounts would overwhelmingly benefit the wealthiest families, increase inequality, and leave the majority of families in the cold.

While we would never disdain direct investments in families—such as [“baby bonds” proposals](#) that would invest in families who are struggling the most—the Trump accounts do not target those most in need.

The federal government will be providing \$1,000 in seed money to babies born between 2025 and 2028, but after that, lower- and even middle-income families will likely not have enough extra cash laying around to turn the seed money into a meaningful investment. That's especially true following the tax and budget law's historic cuts to Medicaid and food assistance programs, which will raise costs of health care and groceries for millions of families. Moreover, the law prevents many children in immigrant families from benefiting altogether.

Meanwhile, families with more disposable income can continue to [contribute \\$5,000 to the accounts every year](#), providing another tax shelter for the wealthiest. (Employers can also contribute to employees' children's accounts, but bigger companies are more likely to do so for their white-collar workers.)

In the end, the "Trump accounts" mirror the rest of Trump's law: [another giveaway to the richest Americans](#) that leaves everyone else further behind.

Child Care Tax Benefits Won't Solve Our Care Crisis

In keeping with this theme, the [expansions to three child care tax benefits](#) that the administration is bragging about are actually wildly skewed toward wealthier households, leaving behind most low-income families.

While helping families meet child care costs is necessary and a good policy goal, lawmakers should be honest about the actual impact these expanded tax benefits will have. And the brutal truth is that the families who are struggling most won't see any benefit at all.

Take, for instance, the expansion of the Employer-Provided Child Care Tax Credit. This credit mostly helps big corporate employers who can already afford to provide child care benefits to their employees; [very few employers](#) even claim it. And employees who are lucky enough to work for a company that provides those benefits [risk losing their child care](#) if they lose their job.

The law also expands another employee flexible spending account-type program, the Dependent Care Assistance Program, which is an employer-provided benefit that allows families to put aside money for child care expenses from their paychecks. Once again, this is not useful for families who can't spare the money (especially because if they don't spend it in a year, they lose it), and furthermore, the accounts are largely only available to [high-income earners in specific industries](#).

Lastly, the law includes an increase to the Child and Dependent Care Tax Credit. This credit is nonrefundable, which means that it doesn't help families with low incomes who owe little to nothing in taxes. So once again, higher-income families will have the most to gain from this increased credit, while families making less than [\\$30,000 won't see a single cent](#).

The Law Makes Education More Inequitable & Inaccessible

What about the policies that the administration claims will help families afford and access education? Like almost every "pro-family" policy so far, these policies will give wealthier families even more advantages, while leaving struggling families behind—and will undermine our public education system, too.

First, the law expands the 529 college savings plan—an account that allows families to put away money for their children's future education—by increasing the number of expenses that would qualify for a withdrawal, including test fees and home-schooling materials. But just like the Trump accounts and the Dependent Care Assistance Program, 529 accounts [overwhelmingly benefit higher-income families](#), since most low-income families cannot afford to set money aside when they're already struggling to make ends meet.

Second, the law creates the first program to direct taxpayer funds into private K-12 schools, siphoning resources away from public schools and providing another way for wealthy people to get more tax savings. How does this program work? It will provide billions of dollars in scholarships to help families send their children to private and religious schools. Wealthy individuals can donate to these scholarships—and receive a generous tax break in return. The program will pay [dollar-for-dollar tax credits](#) to those who donate, meaning that for every dollar a wealthy donor puts toward the scholarships, they get that dollar right back as a tax credit. Moreover, since public schools' funding relies in part on enrollment, diverting students to private schools would undermine the funding for [public schools](#)—where the vast majority of children in this country, including a disproportionate share of students of color, students with disabilities, and students from low-income families, receive their education

And the scholarships likely won't even go to students who need them. Since there are [no guardrails](#) on who receives the money, the scholarships will likely only [provide a discount](#) to families who are already paying for private schools. Ultimately, this is a step towards fulfilling the conservative agenda to dismantle public education in service of the wealthy.

Instead of helping families, these so-called “pro-family” provisions give tax dollars away to businesses and the richest rather than everyday families. Along with historic cuts to Medicaid, SNAP, and other programs that benefit women and families, the deeply inequitable law containing these “pro-family” provisions will leave struggling families even worse off.

If Republican leaders really wanted to help families, they wouldn’t just try to slap a “pro-family” label on a terrible law that overwhelmingly benefits the wealthy. Instead, they would make sure the wealthy and corporations paid their fair share, in order to invest in women, families, and our communities as a whole.