

Puerto Rican Parents Claiming the Child Tax Credit, and Spending Payments Towards Necessities and Education

Key Findings, July 2022 Puerto Rico Survey

By Ashley Burnside, Bruce Fuller, and Qifan Zhang

September 12, 2022

A recent survey of parents in Puerto Rico about the Child Tax Credit (CTC) illuminated families' high awareness of the CTC amid changing eligibility rules, showed that the CTC is reaching a majority of families, and found that Puerto Rican parents are largely spending their CTC refunds on necessities, including bills and food/groceries, and school supplies.

Respondents completed the survey a year after the passage of the American Rescue Plan (ARP), which expanded CTC eligibility for Puerto Rico residents. Under prior law, Puerto Rican families were only eligible for the CTC if they had three or more qualifying children – excluding families with one or two children from the credit. The ARP removed this restriction, expanding access to more Puerto Rican families, made the CTC temporarily fully refundable, and increased the credit available to families. Puerto Rican parents were not eligible to get the CTC payments monthly, however, qualifying parents received the full payment as a lump-sum after filing their tax return in 2022.

Additional survey findings focused on families from the continental United States can be found [here](#).

Below are the topline findings from the CTC Puerto Rico survey:

- **Puerto Rican parents reported hearing about the CTC prior to the survey.** Nearly 9 in 10 survey respondents (88 percent) had already heard about the CTC. This may demonstrate the success of public education campaigns about the credit. The most common way respondents reported hearing about the CTC was through friends or family (41 percent of all survey respondents), TV or in the news (40 percent), and on social media (31 percent).
- **A majority of respondents claimed the CTC in their tax return this year.** Nearly 7 in 10 (68 percent) of all survey respondents claimed the CTC when they filed their taxes in 2022. Parents with at least some college education were more likely to claim the CTC compared to parents with only a high school diploma or with no high school diploma. Married parents were also more likely to claim the CTC when compared to parents who have never married and who are widowed, divorced, or separated. Respondents who did not claim the CTC and who don't plan to do so reported that they do not believe they are eligible for the credit and that they do not know about the CTC as reasons why, prompting the need for continued education efforts on the island.
- **Nearly 4 in 10 respondents who claimed the CTC in their tax return had to complete an identity verification process.** Thirty-eight (38) percent of respondents who claimed the CTC received letter 5071(C/SP) or letter 6331C asking them to complete an additional identity verification process. This can increase the burden for parents filing their taxes. Of those who went through the identity verification process, nearly half (47 percent) did it by themselves with no help. About one-quarter (24 percent) went to a tax professional for help. This might explain

why 27 percent of respondents who claimed the CTC indicated that they had not received their tax refund at the time of the survey, even though nearly all respondents reported filing their taxes in April 2022 or earlier.

- **Respondents who claimed the CTC plan to spend their refund towards necessities and school supplies.** When asked how they plan to spend their CTC refund, respondents most commonly reported paying bills, buying school supplies, buying food and groceries, buying clothing and shoes, and towards the costs of school or college. This largely mirrors the findings from the continental U.S. CTC survey.
- **Parents who have claimed the CTC said their experience with the credit makes them feel like the government cares about their families and communities.** When asked whether their experience with the CTC made them feel like the government cares about their family's health and wellbeing, over three-quarters (78 percent) of respondents who claimed the CTC in their tax return agreed. Only four percent disagreed. And nearly 8 in 10 respondents (79 percent) said their experience with the CTC makes them feel like the government is responsive to the needs of their community.

These topline findings demonstrate the importance of lawmakers extending a fully refundable, expanded CTC to residents of Puerto Rico and the continental United States, and continuing tax outreach for Puerto Rico residents.

CLASP collaborated with Ipsos to survey 505 adults in Puerto Rico with at least 1 child in the household in July 2022. Statistically weighted results from the survey yield a representative sample of parents eligible for the CTC in Puerto Rico. Prior findings from the national CTC survey conducted in July 2021 can be found [here](#), and findings from our October 2021 survey appear [here](#).

This research is conducted in partnership with University of California, Berkeley, the Center for the Study of Social Policy, the Children's Defense Fund, ideas42, the National Women's Law Center, Prosperity Now, UnidosUS, and the Urban-Brookings Tax Policy Center. Thank you to the Heising-Simons Foundation for its generosity in funding the CTC survey research project.