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# Opinion: Until All Eligible for Tax Credit Expansions Receive Support, We Have Failed

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**By Leslie Wasserman**

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An unprecedented increase in the benefits available through social safety net programs provided a glimmer of hope for Californians in poverty during the Coronavirus Pandemic. However, the temporary nature of these benefits, the administrative burden, and lack of take-up due to individual barriers have so far dashed a full realization of those hopes. Legislators and state and federal agencies need to ensure that the money that was allocated to go to California's poorest families and individuals ends up in their pockets.

The economic effects of the pandemic were not felt equally by all in the state. The rich earned more than ever in the stock market and unemployment and sickness disproportionately [impacted](#) the poor. To understand the importance of the expanded benefits authorized in the American Rescue Plan, just look at the sheer magnitude of the increase in the tax credits available to Californians. The expansion of the Child Tax Credit is especially important because it is fully refundable, increases the credit's maximum amount from \$2000 per child to \$3,000 per child (and \$3,600 for children under age 6), and allows 17-year-olds to be claimed. The expansion of the Earned Income Tax Credit will help workers without children by raising the maximum benefit from about \$500 to \$1500.

Those with income low enough to not require filing taxes are likely eligible for the Earned Income Tax Credit and expanded Child Tax Credit. [Over one million](#) households in California did not automatically receive all the stimulus payments they were eligible for, since payments were only automatically sent to those who filed the year prior. An estimated 560,000 adults in these households have earned a wage that makes them eligible for the Earned Income Tax Credit. An estimated 650,000 children in these households are eligible for the expanded Child Tax Credit. These metrics are important because only around 50% of those that did not automatically receive all the stimulus payments used the IRS Non-Filers Tool to receive those benefits and these tax credits will necessitate the same process of using a non-filer tool to claim.

Why would all of these eligible people not take it upon themselves to claim these tax credits? This happens for several reasons, reasons that government officials and researchers are trying to understand and fight back against. Some reasons include the administrative and psychological barriers to filing a claim. Families might need paperwork that they do not have easy access to, technology to access websites may not be easily accessible, or there may be internal or external barriers because of the negative stereotypes associated with receiving government aid.

Government agencies, like the Franchise Tax Board and the California Department of Social Services, have worked with researchers at [UC Berkeley](#) to explore the best outreach strategies to overcome these barriers and are implementing pilot programs for outreach to CalWORKs recipients. To call these expanded tax credits a success, full-scale outreach and research into ways to make it easier for Californians to overcome the barriers preventing them from receiving aid are necessary.