



April 18, 2023

Chair Aisha Gomez
Minnesota House Taxes Committee
453 State Office Building
St. Paul, MN 55155

Dear Chair Gomez and Members of the House Taxes Committee:

On behalf of the Minnesota Community Action Partnership (MinnCAP), I am writing in strong support of the inclusion of a Child Tax Credit in the House Omnibus Tax bill.

MinnCAP is the association for the 24 Community Action Agencies, which serve all 87 counties across the state. Community Action Agencies provide services and programs for people with low incomes including energy assistance and weatherization, Head Start, food assistance, employment and job training, housing services, transportation, and so much more.

A core tenet of Community Action is building resilience and helping people move out of poverty in the long-term. And, an expanded child tax credit is one of the most effective tools we have to help people move out of poverty. Research shows that the federal expansion of the child tax credit passed in the American Rescue Plan Act reduced childhood poverty by almost a 50%. Maybe even more importantly though, the expanded child tax credit reduced food insecurity, increased families' abilities to meet their basic needs, improved families' financial wellbeing, and improved mental health and wellbeing for parents and guardians. A state child tax credit, like the one proposed by Governor Walz, would help Minnesota families have more economic security, positively impact children across the state, and reduce poverty. MinnCAP is strongly in support of such a credit.

The House Omnibus Tax bill combines a state child tax credit with the Working Families Credit to create the Child and Working Families Credit, which is a critical first step and will be instrumental in reducing poverty across Minnesota. Thank you for joining Governor Walz in making it a priority to create a Minnesota child tax credit. The impact of this simple policy change will be felt for years and generations to come.

Sincerely,

Annie Shapiro
Advocacy Director, Minnesota Community Action Partnership