

**Table T21-0189**  
**Extend \$3,000 CTC with ARP Phase-Outs**  
**Baseline: Current Law**  
**Impact on Tax Revenue (\$ billions), 2022-31 <sup>1</sup>**

	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-31
<b>Make changes to CTC enacted by 2017 Tax Act (TCJA), as modified by the American Rescue Plan (ARP) Act, permanent; replace phase-down of ARP CTC increase with phase-out of entire CTC beginning at AGI of: \$150,000 for married couples; \$112,500 for heads of household; and \$75,000 for others</b>	-25.3	-87.5	-86.7	-85.3	-121.4	-162.9	-161.9	-161.1	-160.3	-159.4	-1,211.8

**Source:** Urban-Brookings Microsimulation Model (version 0721-1).

(1) Fiscal years. Baseline is the law in place for each year as of Sept 1, 2021. Proposal would make the following CTC provisions, currently set to expire on 12/31/21, permanent: increase in the per child amount to \$3,000 (\$3,600 for qualified children under age 6); extension of eligibility to qualified 17 year olds; and full refundability regardless of income. Proposal would also make the following provisions, currently set to expire on 12/31/25, permanent: Social Security Number (SSN) requirements; and \$500 non-refundable credit for other dependents. The proposal would also repeal the phase-down of the credit increase enacted by the American Rescue Plan (ARP) and set the phase-out thresholds for the entire credit amount at \$150,000 for married couples, \$112,500 for heads of household, and \$75,000 for others. The credit would be reduced, but not below zero, by \$50 for each \$1,000 (or fraction thereof) by which adjusted gross income (AGI) exceeds the applicable threshold. We do not model any potential advanced payments of the credit. Proposal would be effective 01/01/2022.

(2) Estimate includes the effect of microdynamic responses and assumes a fiscal split of 20-80 for outlays (fiscal year revenue is estimated to be 20 percent of revenue from the previous calendar year and 80 percent of revenue from the current calendar year) and 60-40 for receipts. The actual pattern could differ. We do not model the impact of advanced payments on the pattern of revenue across years.