



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 24, 2014
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 4935 – Child Tax Credit Improvement Act of 2014

(Rep. Jenkins, R-Kansas, and 3 cosponsors)

The Administration opposes H.R. 4935, which would add nearly \$100 billion to deficits over 10 years to expand the Child Tax Credit, including by increasing eligibility for higher income households, while at the same time reducing or eliminating the credit for millions of working parents.

After 2017, H.R. 4935 would effectively eliminate the Child Tax Credit for 5 million families, while cutting it for 6 million more. A single parent with two children working full-time at minimum wage would lose her entire tax credit of \$1,725. Meanwhile, a couple with two children with income of \$150,000 would receive a Child Tax Credit \$2,200 larger than today. In addition, H.R. 4935 would immediately eliminate the Child Tax Credit for millions of American children whose parents immigrated to this country, including U.S. citizen children and “Dreamers,” and would push many of these children into or deeper into poverty.

The Administration strongly supports tax relief for working and middle-class families. H.R. 4935, however, would raise taxes for millions of struggling working families while enacting expensive new tax cuts without offsetting their costs, reflecting fundamentally misplaced priorities. If Republicans want to show they are serious about helping working families through the Child Tax Credit, they should start by extending current provisions past 2017.

If the President were presented with H.R. 4935, his senior advisers would recommend that he veto the bill.

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