



March 14, 2025

Senator R. Brad von Gillern, Chairman  
Members of the Revenue Committee  
Nebraska Legislature

RE: LB157

Chairman von Gillern and Members of the Revenue Committee,

Thank you for the opportunity to submit online comment for the public record as a proponent of LB157.

Children in low-income households often face significant obstacles to their development during the critical early years of life, leading to downstream effects such as adverse academic outcomes. Roughly 13% of children under age 6 in 2023 lived below 100% of the Federal Poverty Level (FPL) and 31% lived below 185% FPL. Research has shown that policies which alleviate economic insecurity for Nebraska's youngest children can have a substantial positive impact on their development and later outcomes.

The federal child tax credit, enacted nearly three decades ago, has been an effective tool to help parents with the everyday expenses of raising children. It has seen temporary expansions over the years from the 2017 Tax Cuts and Jobs Act (TCJA) and the 2021 American Rescue Plan (ARP). However, the expansions under ARP have since expired and the expansion under the TCJA is set to revert to \$1,000 per qualifying child from the current \$2,000 after the 2025 tax year concludes if no further action is taken by Congress.

LB157 would provide tax relief to Nebraska families in low-income households by offering a \$1,000 refundable child tax credit per qualifying child. This is especially timely in light of uncertainties as to whether the TCJA child tax credit provisions will be continued. The bill would also prevent the erosion of the credit's impact by adjusting for inflation- a much-needed policy lever in an inflationary environment.

State policy that provides economic relief for low-income households with young children will reduce child poverty and mitigate other adverse outcomes. The child tax credit proposed in LB157 is a simple, yet effective way to fill in the gap that may be left by expiring federal tax credits and ensure that economic instability is mitigated for Nebraska's youngest children who need it the most.

Thank you for the opportunity to provide public comment. I encourage the Committee to advance LB157 to General File.

Sincerely,

A handwritten signature in black ink that reads "Mitchell Clark". The signature is written in a cursive style with a horizontal line at the end.

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