



## COUNCIL OF THE DISTRICT OF COLUMBIA

THE JOHN A. WILSON BUILDING  
1350 PENNSYLVANIA AVENUE, N.W.  
SUITE 102  
WASHINGTON, D.C. 20004

**ZACHARY PARKER**  
COUNCILMEMBER, WARD 5

**COMMITTEE MEMBER**  
Facilities and Family Services  
Health  
Hospital and Health Equity  
Housing  
Transportation and the Environment

March 3, 2023

Nyasha Smith, Secretary  
Council of the District of Columbia  
1350 Pennsylvania Avenue NW  
Washington, DC 20004

Dear Secretary Smith,

Today, I am introducing the District Child Tax Credit Amendment Act of 2023. Please find enclosed a signed copy of the legislation, which is co-introduced by Chairman Mendelson and Councilmembers Allen, Henderson, Lewis George, Nadeau, Pinto, R. White, and T. White.

This bill is slated to go into effect during the 2024 calendar year and provide families greater assistance to care for children. We know that raising the financial floor for families correlates with stronger academic, health, and life outcomes.<sup>1</sup> Qualifying individuals earning less than \$120,000 will receive \$500 for each child (up to three children) via a child tax credit. Joint filers earning up to \$175,000 together can receive the credit. Additionally, there is no work requirement for this benefit which boosts support for the District's poorest children. What's more, in the District, where white households have 81 times the wealth of Black households and 22 times the wealth of Latino households, the District Child Tax Credit will boost racial equity and serve as a tool to close widening racial wealth gaps.

These investments will significantly reduce the District's child poverty rates. More money in the pockets of low-and-moderate-income families will help ease the burden of high childcare costs, which are estimated to amount to more than \$2,020 per month on average. This proposal builds on the DC Earned Income Tax Credit, and will serve as yet another tool to support District children. If we are to improve outcomes for District youth, we must be more proactive in

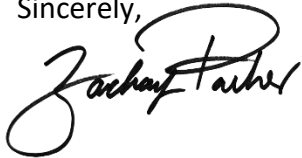
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<sup>1</sup>Center of Budget and Policy Priorities, "EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children's Development, Research Finds" 2015. [6-26-12tax.pdf \(cbpp.org\)](https://www.cbpp.org/6-26-12tax.pdf)

supporting children from birth -- the District Child Tax Credit serves as a critical tool in doing that.

Please contact my Legislative Director, Kendra Wiley at [kwiley@dccouncil.gov](mailto:kwiley@dccouncil.gov) if you have any questions.


Sincerely,

A handwritten signature in black ink that reads "Zachary Parker". The signature is written in a cursive style with a large, prominent initial "Z".

Zachary Parker


Ward 5 Councilmember


1   
2 Chairman Phil Mendelson


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4 Councilmember Charles Allen

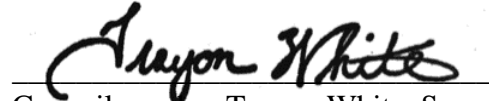
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6 Councilmember Janeese Lewis George

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8 Councilmember Brooke Pinto

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10 Councilmember Robert White

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12 Councilmember Zachary Parker

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14 Councilmember Christina Henderson

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16 Councilmember Trayon White, Sr.

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18 Councilmember Brianne K. Nadeau

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22 A BILL

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25 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
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30 To amend Title 47 of the District of Columbia Official Code to establish a District Child Tax  
31 Credit.

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33 BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this  
34 act may be cited as the “District Child Tax Credit Amendment Act of 2023”.

35 Sec. 2. Chapter 18 of Title 47 of the District of Columbia Official Code is amended as  
36 follows:

37 (a) The table of contents is amended by adding a new section designation to read as  
38 follows:

39 “§ 47-1806.17. Child Tax Credit.”.

40 (b) A new section 47-1806.17 is added to read as follows:

41 “§ 47-1806.17. Child Tax Credit.

42 “(a)(1) For taxable years beginning after December 31, 2025, there shall be allowed  
43 against the tax imposed by this chapter, for the taxable year, a deduction under section 151 of 26  
44 U.S.C. §151 equal to an amount of \$500 for each qualifying child for up to three children.

45 “(2)(A) The amount of the credit allowable under section (a)(1) shall be reduced  
46 by \$20 for each \$1,000 (or fraction thereof) by which the taxpayer’s adjusted gross income  
47 exceeds the threshold amount; except, that the reductions cannot reduce the credit below zero.

48 “(B) For purposes of this paragraph, the term “threshold amount” means:

49 “(i) \$100,000 in the case of a single filer; and

50 “(ii) \$145,000 in the case of a joint return.

51 “(3) A taxpayer shall not be eligible to receive a credit under this section if:

52 “(A) The taxpayer does not claim the eligible child as a dependent on the  
53 taxpayer’s federal and District income tax returns for that taxable year;

54 “(B) A person other than the taxpayer claimed the eligible child as a  
55 dependent on his or her federal and District income tax returns for that taxable year; and

56 “(C) The taxpayer has not resided in the District of Columbia for at least  
57 one year prior to the date of filing.

58 “(4) A child may only be claimed once for purposes of the aforementioned tax  
59 credit in a household filing jointly.

60 “(5) For each taxable year beginning after December 31, 2025, the limit per  
61 qualifying child set forth in paragraph (1) of this subsection shall be increased annually pursuant  
62 to the cost-of-living adjustment; except, that if the adjustment does not result in a multiple of \$5,

63 the increase shall be rounded down to the next multiple of \$5.

64 “(b) The credit allowed under this section in a taxable year may exceed the taxpayer's tax  
65 liability under this subchapter for that taxable year and shall be refundable to the taxpayer  
66 claiming the credit.

67 “(c) In the case of a return made for a fractional part of a taxable year, the credit shall be  
68 reduced to an amount that bears the same ratio to the full credit provided as the number of  
69 months in the period for which the return is made to 12 months.

70 “(e) A lump sum payment or a periodic payment made pursuant to this section shall not  
71 be considered income for the purpose of determining eligibility or benefit amount for public  
72 assistance.

73 “(f) If a return is filed for a full calendar or fiscal year beginning after December 31,  
74 2025, an individual who is a resident of the District but is not a citizen or resident alien of the  
75 United States, who would otherwise be allowed the credit under this section but for the fact that  
76 the individual is not a citizen or resident alien of the United States, shall be allowed a credit  
77 against the tax imposed by this subchapter for the taxable year in the same amounts and to the  
78 same extent as provided in this section.

79 “(g) For the purposes of this section, the term:

80 “(1) “Qualifying child” shall have the same meaning as provided in 26 USC §  
81 24(c)(1).

82 “(2) “Cost-of-living adjustment” shall have the same meaning as provided in  
83 D.C. Official Code § 47-3701(1)(A).”.

84 Sec. 3. Fiscal impact statement.

85 The Council adopts the fiscal impact statement in the committee report as the fiscal

86 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
87 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

88           Sec. 4. Effective date.

89           This act shall take effect after approval by the Mayor (or in the event of veto by the  
90 Mayor, action by the Council to override the veto), a 30-day period of congressional review as  
91 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December  
92 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of  
93 Columbia Register.