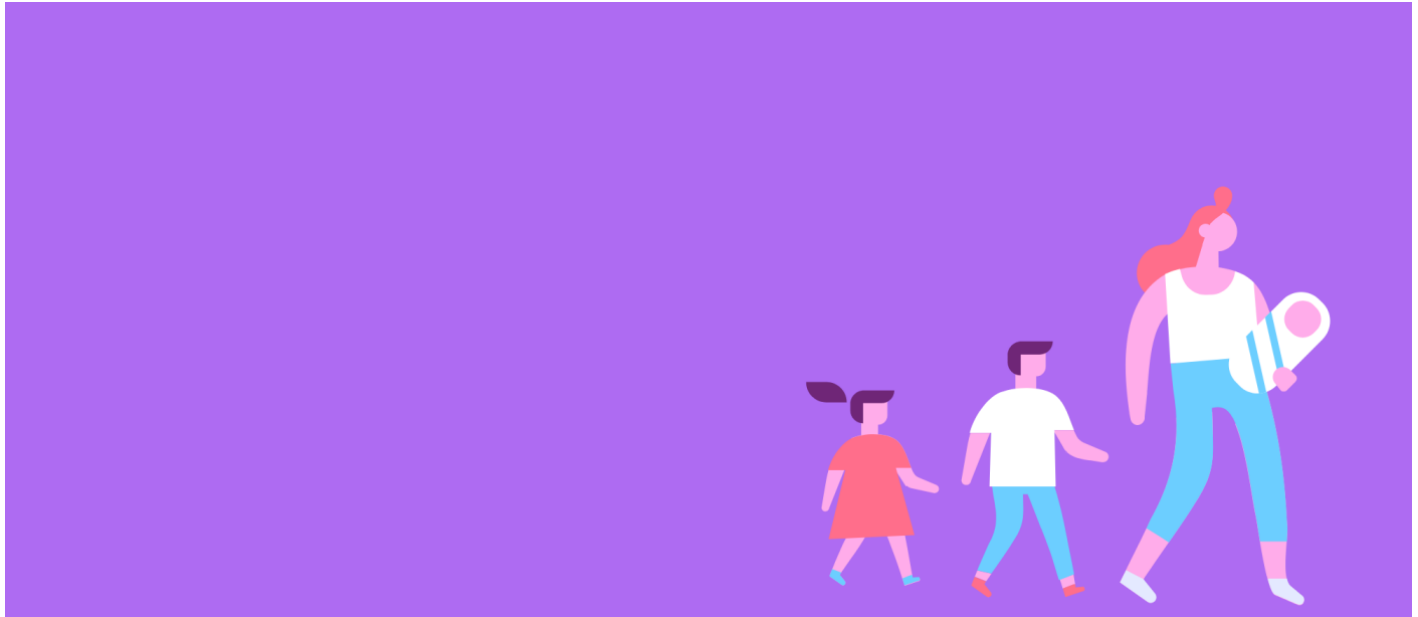


# How to Strengthen Utah's Child Tax Credit in 2025

Published: Thursday, 27 February 2025 10:51

Written by: Jenna Williams

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In 2023, Utah introduced its own [child tax credit](#) (CTC) marking a positive step forward. In 2024, the credit was slightly expanded. However, the credit's limited scope falls short of providing real assistance to families raising young children. Lawmakers should prioritize meaningful CTC expansion to better serve Utah families.

The current \$1,000 child tax credit is for families with children ages 1-3 with an income of up to \$54,000 for a couple or \$43,000 for a family with a single parent (children age 4 will be eligible next year). Under the current child tax credit, 1.4% of families and 4.3% of children benefit. For those eligible, the average tax credit is \$400.

**Here's how expansion could impact families:**

	<b>Percent of Families Benefiting</b>	<b>Percent of Children Benefiting</b>	<b>Avg Tax Cut (per eligible household)</b>
<b>Current Child Tax Credit</b>	1.4%	4.3%	\$400

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[HB 170](#) created the credit for children in specific income brackets between 1 and 3-year-olds

<b>2024 Expansion</b>	1.8%	5.4%	\$456
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[HB 153](#) expanded credit to 4-year-olds

<b>2025 Legislative Proposal</b>	3%	9.2%	\$585
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[HB 316](#) expands credit to newborns and 5-year-olds

<b>Meaningful Expansion</b>	7.2%	21.7%	\$1,297
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Make credit available to low-income families (refundable) and children under age 6

## Key Recommendations

**The credit should be available to families with children from birth to 5 years (adding newborns, 4-year-olds, and 5-year-olds).**

We support efforts in HB 316 to make all children ages 0-5 eligible. The first five years of a child's life are the most financially demanding for parents. Diapers, clothing, formula, and child care costs create a significant burden. Expanding the credit to all children aged 0-5 acknowledges the unique financial challenges families face during these crucial early years.

[non-refundable](#)

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[sales and other taxes](#)

## Support Real Financial Relief for Families

With the CTC's current limitations, this tax credit is not functioning as a genuine support for families bearing the cost of raising young children. By making the credit refundable and extending eligibility to cover children ages 0-5, the state has the opportunity to create a more meaningful child tax credit that aligns with the financial realities faced by families.

While we support HB 316's limited expansion, we strongly recommend a more comprehensive, impactful approach. The CTC should be made refundable, ensuring that all families receive the full benefit of \$1,000/per child. This expansion would create more substantial financial relief for families.

[LEARN MORE ABOUT UTAH'S CHILD TAX CREDIT HERE](#)