



**COUNCIL OF THE DISTRICT OF COLUMBIA  
THE JOHN A. WILSON BUILDING  
1350 PENNSYLVANIA AVENUE, NW  
WASHINGTON, DC 20004**

The Honorable Muriel Bowser  
Mayor of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue NW  
Washington, D.C. 20004

December 15, 2025

Mayor Bowser,

On November 4, 2025, we voted to establish a District Child Tax Credit to reduce child poverty and invest directly in District families. Families with moderate to low incomes will be eligible for a tax credit of up to \$1,000 for every child under the age of 18.<sup>1</sup> We write to you today to request that you keep the District Child Tax Credit in your proposed fiscal year 2027 budget.

District families need relief. Average residential electricity prices in the District have increased approximately 34% since September 2024; unemployment has ticked up two percentage points since 2022; and families are stressed by disruptions to federal employment and safety net programs.<sup>2</sup> The District's child poverty rate has remained stubbornly high at 17.1%. Wards 8 (35.1%) and 7 (30.8%) experience the highest rates of poverty.<sup>3</sup>

While adjustments to federal tax laws will benefit many of the District's wealthiest residents, those adjustments offer few benefits to those with below-median incomes.<sup>4</sup> The federal child tax credit is an illustrative example: While Congress has permanently increased the maximum federal child tax credit, that credit is not fully refundable, is not available to filers with incomes below \$2,500, and is phased in at 15% of income earned above \$2,500.<sup>5</sup> A Congressional

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<sup>1</sup> The D.C. Income and Franchise Tax Conformity and Revision Emergency Amendment Act of 2025, D.C. Act 26-214, Enacted Dec. 3, 2025, available at [https://lms.dccouncil.gov/downloads/LIMS/60658/Signed\\_Act/B26-0457-Signed\\_Act.pdf?Id=227992](https://lms.dccouncil.gov/downloads/LIMS/60658/Signed_Act/B26-0457-Signed_Act.pdf?Id=227992).

<sup>2</sup> Office of the Budget Director, *District of Columbia Economic Snapshot*, December 2025, available at <https://static1.squarespace.com/static/5bbd09f3d74562c7f0e4bb10/t/69306c3ba50b651499547e66/1764781115156/DC+Economic+Snapshot+Report+2025-12-01.pdf>; Office of the Budget Director, *District of Columbia Economic Snapshot*, October 2025, available at <https://static1.squarespace.com/static/5bbd09f3d74562c7f0e4bb10/t/690bc4f9a2fc990e658ae06f/1762379001942/DC+Economic+Snapshot+Report+2025-10-012.pdf>.

<sup>3</sup> Kids Count Data Center, *Child Poverty Rates by Ward in the District of Columbia*, available at <https://datacenter.aecf.org/data/tables/6748-child-poverty-by-ward#detailed/21/1852-1859/false/2545/any/13834>.

<sup>4</sup> The Peter G. Peterson Foundation, *The OBBA's Effect on Income Distribution in the United States*, available at <https://www.pgpf.org/article/the-obbas-effect-on-income-distribution-in-the-united-states/>.

<sup>5</sup> Kristin Kharrat and Emily Wielk, *How the OBBA Changes to the Child Tax Credit Will Impact Families*, *Bipartisan Policy Center*, Aug. 7, 2025, available at <https://bipartisanpolicy.org/blog/how-the-obba-changes-to-the-child-tax-credit-will-impact-families/>.

Research Office analysis of the pre-OBBA federal child tax credit found that only 50% of taxpayers with children who made less than \$10,000 received the federal tax credit.<sup>6</sup> By contrast, virtually all taxpayers with children who made between \$75,000 and \$500,000 received the child tax credit. The CRO analysis also showed that the size of the average federal child tax credit claimed by filers with lower incomes was dwarfed by the size of credit claimed by filers making over \$100,000.

Accordingly, the District Child Tax Credit focuses on single filers making below \$75,000 and joint filers making below \$90,000; however, single and joint filers with multiple children in higher income brackets will benefit, too. Starting in tax year 2026—and fiscal year 2027—the District Child Tax Credit will ensure that all D.C. families have more resources to use to meet their essential needs.

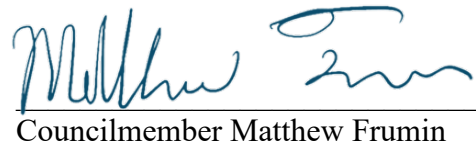
As our Mayor for the last 11 years, you have led the District through a period of enormous prosperity and growth. The District has added nearly 45,000 residents, met your aggressive goal of creating tens of thousands of new housing units, and diversified the District's economy. In partnership with you, we have invested millions of dollars in District families and youth to bolster our public school system, supplement the wages of childcare workers, and increase the District's match of the federal earned income tax credit.

Joining us in implementing the District Child Tax Credit will cement your legacy as a champion for the prosperity of all Washingtonians.

Yours in partnership,



Councilmember Zachary Parker



Councilmember Matthew Frumin



Councilmember Brianne K. Nadeau



Councilmember Brooke Pinto



Councilmember Janeese Lewis George



Councilmember Charles Allen

<sup>6</sup> Brendan McDermot, *The Child Tax Credit: How It Works and Who Receives It*, Congressional Research Service, Aug. 14, 2025, available at [https://www.congress.gov/crs-product/R41873#\\_Ref512945788](https://www.congress.gov/crs-product/R41873#_Ref512945788).



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Councilmember Wendell Felder



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Councilmember Trayon White, Sr.



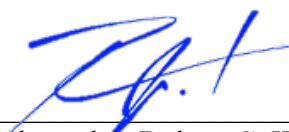
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Councilmember Anita Bonds



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Councilmember Kenyan R. McDuffie



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Councilmember Robert C. White, Jr.