

Improving the Lives of Children and Families Through the Tax Code A Case Study

Every area of a child and family's life is impacted by the tax system. Investing in a more equitable tax system is a direct investment in improving outcomes for children and families across all domains. This case study shares the story of a funder who invests in tax code and tax systems.

Reducing Economic Disparities through Tax Systems

To foster a more equitable and prosperous metro Atlanta, the Community Foundation for Greater Atlanta (-Foundation) recognizes the vital role of tax systems in addressing economic disparities. When the American Rescue Plan expanded the federal Child Tax Credit (CTC) in 2021, the Foundation saw an opportunity to help reduce child poverty in the Atlanta region by up to 40% and ensure that all eligible families received the increased benefits. By focusing on tax equity and tax credit outreach, the Foundation aims to narrow income and wealth gaps in an area where the median income for white households is nearly three times higher than that of Black households.

"Working on tax equity and tax credit outreach is crucial to our goal of increasing economic mobility and reducing racial income and wealth disparities," said Lauren Thomas Priest, program officer at the Foundation. "It is vital to ensure families are informed about the tax credits they qualify for and have the assistance they need to file their taxes."



Lauren Thomas Priest
Program Officer
Community Foundation of
Greater Atlanta

The Community Foundation's tax systems funding work involves partnerships with local direct service programs that conduct outreach and filing assistance, and organizations that engage in state-level advocacy, like the Georgia Budget and Policy Institute, to establish a state-level earned income tax credit (EITC).

The Foundation's tax work also intersects with housing initiatives to help families achieve more stable living situations. One key partnership is with the United Way of Greater Atlanta (UWGA), through their VITA and Motel to Home programs.

"The economic stability tax credit access provides also ties into housing. When our partner, the United Way of Greater Atlanta, assists families in moving from motels to permanent housing, they work with the families to make sure they have stable income, an emergency savings account, and the financial knowledge they need to manage their money effectively. Tax credit access can be a big part of that- often folks use their tax refunds as down payments when they're moving into an apartment, put a portion into savings, or use them to pay off debt."

Priest highlighted the integral role taxes play in everyone's lives, particularly for low-income families. She emphasized tax policy as a powerful tool for leveraging federal and government dollars, allowing funders to address deeply embedded economic issues and create broader, more meaningful outcomes.

By centering tax systems investments, funders can boost existing programs or partnerships that aim to create more equitable structures and opportunities for communities at the local level.