

PROPOSAL OVERVIEW

The Family Income Supplemental Credit, or Fisc, is a monthly supplement paid to working families.

1. Supplement Value: Monthly payment to parent or guardian of child under age 18:

- \$800 per month for pregnant women beginning in the fifth month of pregnancy;
- \$400 per month from birth until the child's 6th birthday; and then
- \$250 per month until the child's 18th birthday.

Payments are made per child, regardless of how many children the family has.

2. Work Requirement: Household payments are capped each year at the level of total income earned in the prior year. Total monthly payments to a household cannot exceed one-twelfth of the prior year's total earnings.

- Working families meet the requirement at very low income levels—a single earner working less than 30 hours per week at minimum wage retains full eligibility for two children.
- TANF and related programs for expectant mothers ineligible to receive the supplement are expanded: funding for [Medicaid enrollment](#), standard inclusion of [home visits](#) in TANF, and creation of a "[baby box](#)" program.

3. Phase-Out: Supplement declines for single/joint filers with prior-year incomes above \$100K/\$200K. Annual value declines by \$100 for every \$1,000 of income above the threshold.

4. Marriage Bonus: Supplement value increases by 20% for married parents.

5. Administration: Spending program administered by the Social Security Administration.

- Bureau of Family Statistics is created to support SSA in gathering data, administering program, and combining other data to report regularly on state of American family.
- Robust audit mechanism; intentional fraud penalized with disqualification from future payments.

6. Funding: Total annual cost is approximately \$200 billion, funded two-thirds from repurposing existing spending and one-third from new revenue.

- \$120 billion repurposed from elimination of existing CTC.
- \$20 billion repurposed from elimination of head-of-household filing status and CDCTC.
- \$60 billion from increase in marginal tax rate for top four personal income brackets.
- No cuts to TANF.
- No cuts to EITC; program converted to wage subsidy independent of household status.

CALCULATING THE FAMILY INCOME SUPPLEMENTAL CREDIT

