

United States Senate

WASHINGTON, DC 20510

July 26, 2017

The Honorable Orrin G. Hatch
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

Every day, families in Missouri, Minnesota, and nationwide provide loving and safe homes for children in need through adoption. On behalf of the many adoptive families across the United States, we urge protection of the Adoption Tax Credit as the Finance Committee moves forward with tax reform.

It is impossible to measure the impact a forever family has on a child. Currently, more than 111,000 children are waiting to be adopted out of the U.S. foster care system. Around the world an estimated 13 million children have lost both parents.

Currently, the adoption tax credit is a non-refundable credit for up to \$13,570 of qualifying adoption expenses per adopted child, and families can choose to carry the credit forward up to 5 years if the family cannot use the whole credit in the first year. Although the credit was refundable in 2010 and 2011, the credit is currently non-refundable, despite the fact that a significant number of lower-income families adopt. To restore the refundability of the credit, we joined with Senator Casey in introducing S.937, the Adoption Tax Credit Refundability Act.

According to the Congressional Research Service (CRS), 73,951 taxpayers claimed the adoption tax credit in 2014, with an average credit value of \$4,802 that year. Nearly 60% of the adoption tax credit dollars in 2014 went to families with adjusted gross incomes between \$100,000 and \$200,000. In CRS's January 2017 report titled, "Adoption Tax Benefits: An Overview", researchers noted, "In 2014, while almost half (45.2%) of adoption tax credit claimants had income under \$75,000, these taxpayers received less than one-fifth of adoption credit dollars (19.3%)."

We know the current non-refundable status of the credit, challenges the Internal Revenue Service has experienced in administering the credit, as well as an overall decline in the number of adoptions since 2001 may lead some to question the effectiveness of this credit. What we can tell you, however, is that we hear from constituents all the time about how important the Adoption Tax Credit is to families' ability to adopt and support children from foster care, intercountry adoptions, or private domestic adoptions. These families are worried about what the elimination of the credit would mean for other families wishing to adopt in the future, or their own ability to again open their hearts and homes to a child in need.

The Duckworth family from Kansas City, Missouri, said, “We’ve adopted siblings into our family, the youngest less than a month old. The tax credit refund gave us much needed financial breathing room to care for our children and meet their unique needs. The peace of mind it has provided us has been priceless.”

The adoption tax credit helped the Meyersons of St. Paul, Minnesota, to adopt their now-seven year old son Francisco from Colombia. The Meyersons, like so many other American families, adopt children from all over the world.


In Pennsylvania, the Hannon family shared, “The Adoption Tax Credit made it possible to say ‘yes’ to the unexpected opportunity to adopt our second beautiful daughter. We want other families to have the benefit of the Adoption Tax Credit and say ‘yes’ to a second placement, just like we did!”

We are grateful for the commitment to the needs of children and families each of you has demonstrated throughout your years of service. Again, we urge you to protect the Adoption Tax Credit as the Finance Committee moves forward with tax reform.

Sincere regards,



Roy Blunt
United States Senator



Amy Klobuchar
United States Senator