

For Official Release  
PR 001-10282022  
Office of the Governor  
Utulei, American Samoa  
October 28, 2022



## **Raising the Standard of Living Part II: Tax Credits & Covid Relief**

Despite the pandemic’s impact on global inflation and workforce shortages, the American Samoa Government (ASG) has benefited from an unprecedented influx of Federal relief funds even while free of community spread in the first two years of the pandemic. According to the Bureau of Economic Analysis (BEA), a 1.7% decrease in GDP for American Samoa (2021) largely due to decreases in tuna exports was partly offset by increases in personal consumption expenditures, government spending, and private fixed investment. Further, the BEA reported that “personal consumption expenditures increased 6.2 percent, primarily reflecting growth in spending on goods, such as food and beverages, clothing, and furniture. Consumer spending was supported by government assistance payments distributed to households through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act and the American Rescue Plan Act (ARPA).”

Increases to social welfare program benefits and additional tax credits have had a massive impact on families across American Samoa. According to the Congressional Research Services, the impact of the Expanded Child Tax Credit from the American Rescue Plan Act (ARPA) reduced childhood poverty across the nation by nearly half. The Lemanu Administration has continuously urged relevant departments of the timely disbursement of these benefits to ensure that families have more money in their pockets given the rising costs of food, gas, and electricity. Further, the Governor has adamantly stressed to Departments the need to address long-standing issues of outstanding payments to local vendors.

The following is a breakdown of the various tax credits, social welfare programs, and small business loans and grants that have been disbursed to the community in the last two years:

### **Tax Credits & Benefits to Employees**

- In 2021, A total of over **\$173 million** was disbursed to individuals and families in the form of economic impact payments/stimulus from the CARES Act, Appropriations Act and ARPA EIP programs, the AS Child Tax Credit, and the standard tax refunds with additional child tax.
  - 2021 Appropriations Act (\$600). \$22,886,640.00
  - 2021 ARPA (\$1,400) \$71,723,473.70
    - Child Tax Credit \$27,822,587.50
    - Tax Refunds & Additional Child Tax \$14,600,000.00
      - Local Refunds \$5,700,000.00
      - Additional CTC \$8,900,000.00
- In 2022, to date the Department of Treasury Tax office has disbursed 22 batches of tax returns for 11,327 people worth approximately \$37.5 million (*\$9.4 million in local tax refunds, and \$28.1 million in Child Tax Credit*).

### **Benefits for Women, Children, and Families**

- In 2021, the Department of Human and Social Services disbursed approximately **\$30 million** in payments to nearly 31,000 recipients benefiting low-income families and boosting our local economy.
  - Below is a breakdown of these benefits and payments:
    - ASNAP Division – Issued a total of \$17,060,538 to 22,074 individuals
      - \$6.67 M to 12,888 children in 1st round of Pandemic Electronic Benefits Transfer (P-EBT)
    - ASWIC Division – Redeemed \$4,224,290 in benefits to 4,432 individuals
    - Child Care Division – Issued a total of \$7,107,716 benefiting an average of 800 families and approximately 1,200 children.
    - Children and Family Services Division issued a total of \$32,000 in Rental Assistance Payments to 67 recipients.
- In 2022, the Department of Human and Social Services has since disbursed approximately **\$28.3 million** in payments to nearly 24,000 recipients benefiting low-income families and boosting our local economy.
  - Below is a breakdown of these benefits and payments:
    - ASNAP Division – \$16,098,472 to 16,152 individuals
      - \$7.25 M to 11,717 children in 2nd round of Pandemic Electronic Benefits Transfer covering the period of February 22, 2022 - June 10, 2022
    - ASWIC Division – Redeemed \$4,244,651 in benefits to 3,646 individuals
    - Child Care Division – Issued a total of \$7,461,326 benefiting 1,225 children and 349 staff
    - Children and Family Services Division issued a total of \$512,390 to 2,608 individuals as follows:

- \$28,190 in Rental Assistance Payments to 189 recipients  
\$484,200 in one time AS-PEAF cash payments for 2,419 children

*\*Families will also see an increase in ASNAP benefits for FY 2023*

### **Cash, Loans, and Grants to Local Small Business**

- The Department of Commerce has disbursed the following benefits:
  - The Cash Assistance Program for Impacted Businesses disbursed **\$1,020,707.74** to 173 business applicants.
    - An additional 49 applicants will be expected to receive a payment of \$89,660.56 resulting in a total disbursement of \$1,110,368.30
  - The Business Recovery Capital Program for Impacted Businesses (Grant & Line of Credit) approved 192 business applicants for grant assistance resulting in **\$3,921,304.87** in grant awards to local businesses.
    - To date, a total of \$510,342.16 has been paid out based on submissions from each approved subgrantee.
    - 27 applicants were approved for the line of credit which translates to **\$4,545,000**.
  - The Emergency Rental Assistance Program has disbursed **\$2,667,239** benefiting a total of 470 families (139 landlords).
  - The Cares Economic Development Revolving Loan Fund has funded a total of **\$1.83 Million** to assist new and existing businesses in the Territory.
  - The CARES Community Services Block Grant committed **\$50,000** in support of the GiveLight Initiative that aided 602 families with credit for electricity.
- The Department of Human Resources has disbursed the following benefits:
  - The ARPA Cash Assistance Program Unemployment for Impacted Employees has issued a total of **\$1,518,275** in benefits to 2,451 private sector employees that were impacted during Code Red and subsequent restrictions in business hours. An additional 1,096 applicants are expected to receive disbursement pending approval.
  - The NonProfit ARPA Cash Assistance Program Unemployment for Impacted Employees has encumbered \$43,486 in benefits to 50 individuals to be released shortly.

*Next week's press release on "Raising the Standard of Living" will outline the completed and ongoing critical infrastructure improvement projects under the Lemanu-Talauaga administration.*

###