

2021 Child Tax Credit: A quick primer on expansion

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What changes have been made to the Child Tax Credit (CTC)?

Age: Kids age 17 & under qualify

Larger credits: \$3,600 per child age 5 & under, \$3,000 per child age 6-17

Advance payments: Half disbursed in monthly payments July-December, remaining half when taxes are filed in 2022

No minimum income requirement: Families can have zero income and still qualify for the full credit

Full refund: While the existing CTC is only refundable up to \$1,400, the expanded credit is fully refundable

Phase out: Credit starts to decrease at \$75,000 for single filers (\$150,00 for married couples, and \$112,500 for heads of households)

Other important things to know

- **Expanded CTC will not affect other benefits**
 - Tax credits – including the expanded CTC – don't count as income against federally funded benefits like TANF, SNAP, or Medicaid
- **Mixed status families qualify**
 - ITIN filers are eligible for CTC as long as kids being claimed have a valid SSN. Tax credits are not considered a 'public charge' and will not threaten a person's immigration status.
- **First payments are being disbursed today (July 15, 2021)**
 - But that doesn't mean it's too late to claim the credit!

Supporting families to access the credit

Folks who filed 2019 or 2020 taxes or used the non-filer tool to access stimulus payments will receive CTC payments automatically. If not – or if they've experienced changes in their situation – they'll need to take action:

IRS non-filer tool

- Best option for people with zero income or those with very low incomes facing barriers to filing a full return

File a full return

- Best option for people with any income who have tax documents

IRS Child Tax Credit update portal

- Use the update portal only to opt out or report significant changes

IRS non-filer tool

Non-filer Sign-up Tool



freefilefillableforms.com/#/fd/childtaxcredit



Non-filer Sign-up Tool

- Full legal name
- Date of birth
- Adult's SSN or ITIN
- SSNs of qualifying children
- Mailing address
- Email address
- Bank account information



IT'S FAST. IT'S SAFE. IT'S FREE.

This is a Free File Fillable Forms product.

Information about your household so the IRS can determine if you are eligible for advance payments of your 2021 Child Tax Credit and any 2020 Recovery Rebate Credit you may be entitled to receive.

This form is designed to provide the IRS with basic information about you and your dependents. When entering your dependents, you'll need to indicate which of your dependents are qualifying children for the 2021 Child Tax Credit by using the check box provided on the form. If you did not receive the first or second Economic Impact Payment or the full amount you were entitled to receive, you may use this online form to claim the 2020 Recovery Rebate Credit. This free online form also allows you to provide banking information which the IRS will use to direct deposit any payment you are entitled to receive.

IRS CTC update portal

Create an ID.me account - ID.me



api.id.me/en/registration/new



- Full legal name
- SSN or ITIN
- Photo ID
- Computer *and* cell phone

Create an ID.me account

Already have an ID.me account?

[Sign in to your account](#)

Email

Enter your email

Password

Resources

- IRS Non-Filer Tool: <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>
- IRS CTC Update Portal: <https://www.irs.gov/credits-deductions/child-tax-credit-update-portal>
- Get Your Refund: <https://www.getyourrefund.org/en> (Free tax filing and referrals to VITA sites)
- Get It Back Campaign Outreach Resources: <https://www.taxoutreach.org/tax-filing/coronavirus/2021-stimulus-checks-and-tax-credit-outreach-resources/>
- GetCTC : <https://www.getctc.org/en> (Frequently asked questions, links to IRS tools, chat with VITA-certified volunteers)