

ADVANCE CHILD TAX CREDIT 2021

Eligible families can receive advance payments of **up to \$300 per month for each child under age 6 and up to \$250 per month for each child age 6 and above** for 2021 only. There is no minimum income requirement, and it is fully refundable.

Who Is Eligible?

Families with a child under 17, who meet the residency requirements,ⁱ and do not make more than the following amounts, may be eligible:

- \$75,000 for a single-filer;
- \$112,500 for a head of household; or
- \$150,000 for a couple filing jointly.

In New Hampshire, 74 percent of families and 81 percent of households have income below \$150,000.ⁱⁱ Individuals at higher income levels – including individuals with income up to \$150,000 or couples filing jointly up to \$400,000 may be eligible to receive the credit in lesser amounts.

When Do Credits Begin?

The IRS will begin sending credits as monthly payments **starting July 15 and continuing through December 15, 2021**. Individuals can claim the other half when filing a 2021 income tax return.

The IRS also has an option for families to “opt-out” of the monthly or periodic payment, if they would prefer to have the cash benefit in one lump sum during tax time. To manage payments, visit:

<https://www.irs.gov/credits-deductions/child-tax-credit-update-portal>

Will the ACTC Affect Eligibility for Other Benefits?

No. Tax credits do not count as income for benefits under any federal program.ⁱⁱⁱ

How Do People Apply for the 2021 Child Tax Credit?

People do not need to take any action other than to file a 2020 tax return. The IRS will use the information on 2020 returns (or 2019 returns if a 2020 return has not been filed).

What Happens to Non-Filers?

Non-filers are still eligible for the credit. The online portal for non-filers is here: <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>

Where Can I Find More Information?

Visit the IRS ACTC page: <https://www.irs.gov/credits-deductions/advance-child-tax-credit-payments-in-2021>.

ⁱ Residency requirements are to have a main home in the US for more than half the year or file a joint return with a spouse who does.

ⁱⁱ American Community Survey, 2019, ACS DP1Y2019, ACS 1- Year Estimates <https://api.census.gov/data/2019/acs/acs1/profile>, Accessed on June 30, 2021

ⁱⁱⁱ See questions 10 and 12. <https://www.irs.gov/credits-deductions/2021-child-tax-credit-and-advance-child-tax-credit-payments-topic-a-general-information> See also <http://www.healthreformbeyondthebasics.org/key-facts-income-definitions-for-marketplace-and-medicaid-coverage/>