

## ADVANCE CHILD TAX CREDIT 2021

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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,<sup>i</sup> 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.<sup>ii</sup> 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.<sup>iii</sup>

### 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>.

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<sup>i</sup> 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.

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

<sup>iii</sup> 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/>