

What to Know About and How to Claim the Improved Child Tax Credit: FAQs

The American Rescue Plan Act (ARPA), passed by Congress in March, has provided much needed relief to people across Virginia, including improving the Child Tax Credit (CTC). The Child Tax Credit helps many families with children meet their basic needs, including spending on food, electricity, clothing, and more. The CTC has been temporarily expanded to include more families and grant larger amounts of assistance in 2021. It's possible that you have already received at least one monthly payment if you have children up to age 17 in your household.

Here are answers to frequently asked questions about how the CTC works for most families, including how to get any payments you may have missed.

Q. How do I know if I am eligible to receive the credit?

A. Nearly all low and middle income households are eligible to receive the full credit.

If your household consists of joint filers making up to \$150,000, a single head of household making up to \$112,500, or a single filer making up to \$75,000, you qualify for the full credit. If your income exceeds these levels, you are likely still eligible to receive partial credit.

Q. How much support will I receive with the new credit?

A. You will receive \$3,600 per child for children under 6 and \$3,000 per child for children ages 6-17.

Half of the credit will be paid in advance monthly payments of \$250-\$300 per child from July until December and the other half will be received after filing taxes in 2022.

Q. When will I receive the credit?

A. Half of the credit will be paid in advance each month from July to December.

The payment schedule is as follows:

Jul 15, 2021	Oct 15, 2021
Aug 13, 2021	Nov 15, 2021
Sep 15, 2021	Dec 15, 2021

The other half of the credit will be received after filing your 2021 taxes in 2022.

Q. Is it too late to receive CTC payments that I've missed?

A. No, you are still eligible to receive your credit in its full amount, even if you have missed payments. Once you have signed up to receive payments, any missed payments will be evenly dispersed over the remainder of payments.

Q. How do I sign up for my credit?

A. If you have already filed 2019 or 2020 tax returns or used the IRS Non-Filer Tool to sign up for your Economic Impact Payment (stimulus checks), you should automatically receive your credit.

If you are not required to file a federal tax return, have not filed taxes in 2019 or 2020, or have not previously used the Non-Filer Tool to sign up for Economic Impact Payments you can use the IRS's CTC Non-Filer Tool to sign up: <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>.

All you will need is:

- A reliable mailing address,
- An e-mail address,
- Social Security numbers for your children, and
- Social Security Numbers or ITIN for you and your spouse.

The Non-Filer Tool will also allow you to claim any payments that you may have missed.

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Q. How will I receive my payment?

A. Payments will be directly deposited into your linked bank accounts, or mailed if no bank account is linked with the IRS.

It is important to remember to be aware of possible scams. Remember that the only way to access the CTC or other stimulus payments is to file a tax return with the IRS or register online through the IRS Non-Filer Tool.

Q. Do I need to file my federal tax return in 2022 in order to receive the entire credit?

A. Yes, in order to receive the second half of your credit in 2022, you will need to file for the 2021 tax year. Payments will not affect your other benefits, such as SNAP or Medicaid.

These resources may help to prepare your taxes for free:

- My Free Taxes (www.myfreetaxes.com/)
- Virginia File Free (www.tax.virginia.gov/free-file)
- File Virtually with an IRS-certified Volunteer (GetYourRefund.org)
- Virginia CASH Campaign Directory (www.vacap.org/eitc-partners/)

Q. I've done everything I need to in order to request my credit, but I still have not received payment. What should I do?

A. If you need to check the current status of your payments, manage your payments, or update personal information, you can use the CTC Update Portal provided by the IRS (www.irs.gov/credits-deductions/child-tax-credit-update-portal).

New users must authenticate their identity using ID.me.

Q. Do I need a Social Security Number to register for the credit?

A. No, you don't need a Social Security Number. Filers looking to claim their credit can also use their ITIN, so long as you've got the social security number of the children that you are claiming.

Q. Will I need to pay this money back, owe the IRS money, or lose my benefits if I claim my credit?

A. Most low-income families will not owe money, or need to pay the money back, so long as your income doesn't change drastically and you don't receive credits for a child who is no longer your dependent.

Payments will not affect your other benefits, such as SNAP or Medicaid.