

# Child Tax Credit and Advanced Child Tax Credit

## Key things to know:

- To qualify for advance payments of the Child Tax Credit, you (and your spouse, if you filed a joint return) must have:
  - Filed a 2019 or 2020 tax return and claimed the Child Tax Credit on the return **or**
  - Given us your information in 2020 to receive the Economic Impact Payment with the Non-Filers: Enter Payment Info Here tool **or**
  - Given us your information in 2021 with the Non-Filer: Submit Your Information tool; **and**
  - Lived in a main home in the United States for more than half the year (the 50 states and the District of Columbia) or filed a joint return with a spouse who has a main home in the United States for more than half the year; **and**
  - A qualifying child who is under age 18 at the end of 2021 and who has a valid Social Security number; **and**
  - Made less than certain income limits.
- If you do not want to receive advance payment of the 2021 Child Tax Credit will need to opt out of receiving payments
- Use this link to access the Child Tax Credit Portal
  - <https://www.irs.gov/credits-deductions/child-tax-credit-update-portal>
    - Here you can check if you're enrolled for advanced payments
    - Unenroll
    - Update bank account and mailing address
    - Update your modified adjusted gross income if it changed in 2021
    - View your payments
  - Please note if you are a **Joint Filer** and unenroll from receiving payments – your updates will only affect your, and NOT your spouse's advanced payments. Updating your joint modified adjusted gross income – your update will affect your spouse's advance payments if they're still enrolled in receiving payments.
- For tax year 2021, qualifying families claiming the Child Tax Credit will receive:
  - Up to \$3,000 per qualifying child between the ages of 6 and 17 at the end of 2021
  - Up to \$3,600 per qualifying child under age 6 at the end of 2021
- If you made more than the following you will not receive the full credit – phase out will begin at the following thresholds:
  - \$75,000 or less for single filers and married persons filing separate returns
  - \$112,500 or less for heads of household
  - \$150,000 or less for married couples filing a joint return and qualifying widows and widowers

- Your payments will be reconciled against your 2021 tax return filed in 2022
  - If your payments are less than the Child Tax Credit amount you can claim the remainder of the credit when you file your 2021 taxes
  - If your payments are GREATER than the Child Tax Credit amount you may need to repay some or all of the excess to the IRS. Unless you qualify for repayment protection
- You will NOT qualify for any repayment protection if your modified AGI is at or above the amounts listed below based on the filing status on your 2021 tax return
  - \$120,000 if you are married and filing a joint return or if filing as a qualifying widow or widower
  - \$100,000 if you are filing as head of household
  - \$80,000 if you are a single filer or are married and filing a separate return.
- You will qualify for full repayment protection and **WILL NOT** need to repay any excess amount if your main home was in the United States for more than half of 2021 and your modified adjusted gross income (AGI) for 2021 is at or below the following amount based on the filing status on your 2021 tax return:
  - \$60,000 if you are married and filing a joint return or if filing as a qualifying widow or widower;
  - \$50,000 if you are filing as head of household; and
  - \$40,000 if you are a single filer or are married and filing a separate return.
- Your repayment protection **MAY** be limited if your modified AGI exceeds these amounts or your main home was not in the United States for more than half of 2021.
- In **January of 2022** the IRS will send you **LETTER 6419** to provide the total amount of advance Child Tax Credit payments that were disbursed to you during 2021. **PLEASE KEEP THIS LETTER** and provide it to your tax preparer.
- The IRS urges you to use the Child Tax Credit Update Portal (CTCUP) throughout 2021 to help ensure that the IRS has the most up-to-date information regarding your eligibility for the 2021 Child Tax Credit.

\*\*For more information please visit <https://www.irs.gov/credits-deductions/2021-child-tax-credit-and-advance-child-tax-credit-payments-topic-f-updating-your-child-tax-credit-information-during-2021> or give the office a call\*\*