



Child Tax Credit: Most eligible families will automatically receive monthly payments. For everyone else, here are three steps to get help

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Starting July 15, millions of American families will automatically begin receiving monthly Child Tax Credit payments from the Treasury Department and the Internal Revenue Service. These payments are designed to cover half of the credit families will likely qualify to receive when they file their 2021 federal income tax return.

If you qualify and you previously filed your tax return, you don't need to do anything. Payments will begin arriving automatically. If you think you qualify and haven't filed, now is the time to take action.

Who is automatically getting a monthly payment?

In general, monthly payments will go to eligible families who:

- Filed either a 2019 or 2020 federal income tax return.
- Used the Non-File tool on IRS.gov to register for an Economic Impact Payment during 2020.
- Already registered for the Advance Child Tax Credit using the new [Non-filer Sign-up Tool](#) on IRS.gov.

If you did one of these things, you don't need to do anything else to get the advance payment. The IRS will send you a [letter](#) telling you how much you're getting.

Normally, the IRS is calculating the payment based on the 2020 tax return. If that return is not available, either because it has not yet been filed or it has not yet been processed, the IRS is instead determining the payment using the 2019 return.

Eligible families will receive advance payments, either by direct deposit or check. Each payment will be up to \$300 per month for each child under age 6 and up to \$250 per month for each child ages 6 to 17. The IRS will issue advance CTC payments: July 15, Aug. 13, Sept. 15, Oct. 15, Nov. 15 and Dec. 15.

Who needs to take action now?

If you haven't filed or registered with the IRS, now is the time to take action. The sooner you do, the sooner you will begin receiving monthly payments.

If you're not sure you qualify, the IRS has a three-step process that can help. Each step has a free online tool, available only on IRS.gov.).

- Step 1: See if you qualify using the Child Tax Credit Eligibility Assistant.
- Step 2: If you don't normally file a return, register with the IRS using the Non-filer Sign-up Tool. Alternatively, file a return with the IRS.
- Step 3: Check the status of your monthly payments and update your information using the Child Tax Credit Update Portal.

Step 1: Child Tax Credit Eligibility Assistant

Before filing a return or using the Non-filer Sign-up Tool, you may want to consider using the Child Tax Credit Eligibility Assistant. This tool is now available in English and Spanish. Though this step is optional, it can be particularly helpful if you are unsure whether you qualify for either the credit or the advance payments. By answering a series of questions, the tool enables you to make a preliminary determination as to whether you qualify for the credit and the payments.

IMPORTANT:The Child Tax Credit Eligibility Assistant requests no personal information about you. For that reason, it is not a registration tool, but merely an eligibility tool. Nevertheless, it can still help you determine whether you should take the next step and either register using the Non-filer Sign-up Tool or file a tax return.

Step 2: Register using the Non-filer Sign-up Tool

If Step 1 tells you you qualify and you don't normally file a federal tax return, check out the Non-filer Sign-up Tool. If you don't normally file a return, you can register using this tool. If you filed a 2019 or 2020 return, you **do not** need to register using this tool and you can skip to step 3.

Among other things, this tool asks you to supply current bank information, along with key details about yourself and your qualifying children. If you missed out on Economic Impact Payments during 2020 or didn't get the full amount, the tool also enables you to claim those missing payments through the Recovery Rebate Credit. The tool then automatically fills in a very basic 2020 federal income tax return that is electronically sent to the IRS.

The new tool was developed in partnership with Intuit and the Free File Alliance. For a free step-by-step guide to using this tool, visit [IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021) and look for Publication 5538.

Alternatively, you can choose to file a regular federal income tax return for either 2019, 2020 or both. For many people, the fastest and easiest way to file a 2020 return is to use the Free File system, available only on [IRS.gov](https://www.irs.gov). Besides qualifying you for these advance payments, using Free File will also enable you to claim other family-oriented tax benefits, such as the Earned Income Tax Credit and the Recovery Rebate Credit.

Whether you use Free File or the Non-filer Sign-up Tool, the IRS cautions that a filing now is too late to be reflected in the first batch of monthly payments scheduled for July 15. But filing now is still a good idea. That's because it will still enable you to receive payments later this year. Even if your monthly payments begin after July, each monthly amount will be adjusted upward to ensure that you still receive half of your total eligible Child Tax Credit benefit.

Step 3: Child Tax Credit Update Portal

After you file or register, you can use another tool to monitor or manage your monthly payments. The Child Tax Credit Update Portal is a secure, password-protected tool that you can use, as long as you have internet access and a smart phone or computer. Initially, you can use it to:

- Verify eligibility;
- Check the status of your payments;
- Change the bank account receiving your payments;
- Switch from receiving your payments by check to direct deposit; or
- Opt out or unenroll from receiving monthly payments.

Later this year, You will also be able to:

- Update your mailing address;
- Update your bank account information;
- Add a child born or adopted in 2021;
- Add a child that qualifies in 2021 but didn't in 2020;
- Remove a child that qualified in 2020 but doesn't in 2021;
- Report a change in marital status; or
- Report a change in income.

Who should opt out or unenroll?

Instead of receiving these advance payments, you may prefer to receive the entire credit when you file your 2021 return. The Child Tax Credit Update Portal enables you to quickly and easily do that. If you make this choice, you will either receive a larger refund or have a smaller amount due when you file.

The unenroll feature can also be helpful to any family that no longer qualifies for the Child Tax Credit or believes they will not qualify when they file their 2021 return. This could happen if, for example:



- Your income in 2021 is too high to qualify you for the credit.
- Someone else (an ex-spouse or another family member, for example) now qualifies to claim your child or children as dependents.
- You live overseas during most or all of 2021.

Accessing the portal

To access the Child Tax Credit Update Portal, you must enter your IRS username and password if you have existing accounts such as Get Transcript, Online Account or Identity Protection PIN. People without an IRS account must verify their identities using trusted third-party partner ID.me or using an ID.me username and password created for other federal agencies, such as the Social Security Administration or the Department of Veterans Affairs.

Anyone who lacks internet access or otherwise cannot use the online tool may unenroll by contacting the IRS at the phone number included in the outreach letter they received from the IRS.

Child Tax Credit 2021

The IRS has created a special Advance Child Tax Credit 2021 page, designed to provide the most up-to-date information about the credit and the advance payments. It's at [IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021).

Among other things, it provides direct links to the Child Tax Credit Eligibility Assistant, Non-Filers Sign Up Tool, the Child Tax Credit Update Portal, free user guides for each of these tools, a set of frequently-asked questions and other useful resources.

Child Tax Credit Changes

The American Rescue Plan raised the maximum Child Tax Credit in 2021 to \$3,600 for children under the age of 6 and to \$3,000 per child for children between ages 6 and 17. Before 2021, the credit was worth up to \$2,000 per eligible child.

The new maximum credit is available to taxpayers with a modified adjusted gross income (AGI) of:

- \$75,000 or less for singles,
- \$112,500 or less for heads of household and
- \$150,000 or less for married couples filing a joint return and qualified widows and widowers.

For most people, modified AGI is the amount shown on Line 11 of their 2020 Form 1040 or 1040-SR. Above these income thresholds, the extra amount above the original \$2,000 credit — either \$1,000 or \$1,600 per child — is reduced by \$50 for every \$1,000 in modified AGI.

In addition, the credit is fully refundable for 2021. This means that eligible families can get it, even if they owe no federal income tax. Before this year, the refundable portion was limited to \$1,400 per child.

Help spread the word

The IRS urges community groups, non-profits, associations, education organizations and anyone else with connections to people with children to share this critical information about the Child Tax Credit as well as other important benefits. Among other things, the IRS is working closely with its community partners to ensure wide access to the Non-filer Sign-up Tool. The agency is also providing additional materials and information that can be easily shared by social media, email and other methods.

For the most up-to-date information on the Child Tax Credit and advance payments, visit [Advance Child Tax Credit Payments in 2021](#).