

CCSA shares important information for early childhood and housing programs

Child Tax Credit Help Needed! YOU can help!

Child Tax Credit Begins July 15, 2021

OVERVIEW

The 2021 **Child Tax Credit** (as legislated in the American Rescue Plan, March 2021) will arrive in the bank accounts of many U.S. families beginning July 15, 2021. This is exciting news for families that file tax returns! However, for families that did not earn enough money to file a tax return in 2019 or 2020, receiving this money is more complicated.

It will be incumbent upon all who work with families to help ensure they get 100% of the funds to which they are entitled.

- The Child Tax Credit will provide between \$3,000 and \$3,600 per child age 17 or younger, to nearly all working families.
- For the first time ever, families will receive the Child Tax Credit in monthly payments through December 2021 and then receive a final amount at tax time in 2022.
- Families that filed taxes in 2019 and 2020 will, in most cases, automatically receive monthly payments of \$250 or \$300 per child (depending on the child's age) from the IRS on the 15th of every month between July and December 2021.
- Low-wage families that did not file a tax return in 2019 or 2020 must apply for these same Child Tax Credit funds through the <u>Non-filer Sign-up Tool</u> so they can begin receiving payments.
- More information can be found here.



WHY AND HOW YOUR HELP IS NEEDED FOR FAMILIES THAT DID NOT FILE TAXES WITH THE IRS

Non-filing Families May	What Your Organization Can Do
Not know the money is available	Share flyers and other materials to raise awareness with families in your programs; share social media posts.
Need to know they must apply for the funds	Use social media and other ways to advertise the Non-filer Sign-up Tool and share information about how to apply.
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Non-filing Families May	What Your Organization Can Do
Need to understand eligibility	Help families understand eligibility: A family qualifies for advance Child Tax Credit payments if they have a qualifying child. Also, they must have a main home in one of the 50 states or the District of Columbia for more than half the year. The home can be any location where they regularly live. It can be a house, apartment, mobile home, shelter, temporary lodging, or other location and doesn't need to be the same physical location throughout the taxable year. A person doesn't need a permanent address to get these payments. See eligibility information here .
Need access to a computer (the website is not mobile friendly)	Offer laptop or desktop computers for families to use. Share locations for local libraries and other sources where computers can be used. The website is not mobile-friendly.
Need an email address	Help families sign up for a free email address and share basic tips on how to use email and how to watch from emails about their applications.
Want help identifying a reliable mailing address	Brainstorm with the family about the most reliable and trustworthy mailing address where multiple checks can be sent. Consider if your organization or another location can serve that purpose for families, if needed.
Want to find a bank with no or low-cost checking/savings accounts	Provide a list of local banks that have low and no-cost account options. Help families navigate the sign-up process.
Need guidance on how to complete the process	Consider hosting a tax credit help day by lining up local tax preparers willing to work with families.
	Become familiar with the Child Tax Credit Non-filer Sign-up Tool FAQs . Refer families to it.

IN CLOSING

Receiving the 2021 Child Tax Credit is important for all families but none more so than families working in low-paying jobs. This tax credit is designed to lift children out of poverty, but families that do not file taxes must take the first steps to get these vital funds. They cannot get these funds if they do not know about them, or take action to get them.

We encourage you to spread the word to eligible families in your early childhood and Head Start/Early Head Start programs, and with local family support, shelter and other community-based programs.

ADDITIONAL RESOURCES

- The White House Child Tax Credit Fact Sheet
- Child Tax Credit website
- BPC explainer Child and Dependent Care Tax Credit and the Child Tax Credit