

ATTENTION WOODHAVEN-BROWNSTOWN SCHOOL DISTRICT FAMILIES:

As you might be aware, the American Rescue Plan Act of 2021 was recently signed into law and it contains numerous relief provisions for individual taxpayers, including some significant changes to the [Child Tax Credit](#). *(hold CTRL key and click on the link for more information)*

As for background regarding this Advance Child Tax Credit, please look at the attached Publications [5534B](#) and [5534C](#). *(hold CTRL key and click on the link for more information)*

The Advance Child Tax Credit is not just available to taxpayers with children that file tax returns, but also to people with children who have **low or no income**. Which could help many children escape poverty in America.

To qualify for Advance Child Tax Credit payments, individuals must:

- Have a main home in the United States for more than half the year (the 50 states and the District of Columbia) or file a joint return with a spouse who has a main home in the United States for more than half the year; **and**
- Have a qualifying child who is under age 18 at the end of 2021 and who has a valid Social Security number; **and**
- If have earned income, made less than 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

The School District hopes to get this information to families that normally are not required to file a federal income tax return, but in order to receive this credit will need to act by using the [Child Tax Credit Non-filer Sign-up Tool](#) available on IRS.gov. *(hold CTRL key and click on the link for more information)*

Advanced Child Tax Credit payments are not considered income and will not affect your access to government benefits like SSI, SNAP, TANF or WIC. See #IRS info at <https://go.usa.gov/x6fyE> *(hold CTRL key and click on the link for more information)*



An Overview of the 2021 Advance Child Tax Credit

Payments start July 15



Filed already?

You don't need to take any action now if you've filed a 2020 tax return.

Haven't filed yet?

File your tax return as soon as possible. For people not required to file a tax return and who didn't file in 2019 or 2020, quickly register using the IRS **Non-filer Sign-up Tool**. You may qualify for the Child Tax Credit and Economic Impact Payments.

- 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.

- Payments begin July 15 and will be sent monthly through December 15 without any further action required.
- You can benefit from the credit even if you don't have earned income or don't owe any income taxes.
- The tax credit includes advance payments for 2021 only.

The American Rescue Plan Act Advance Child Tax Credit provisions include:

- The maximum Child Tax Credit increased to \$3,600 for children under the age of 6 and to \$3,000 per child for children between ages 6 and 17.
- The credit includes children who turn age 17 in 2021.
- Taxpayers may receive part of their credit in 2021 before filing their 2021 tax return.

Eligible taxpayers who don't want to receive advance payment of the 2021 Child Tax Credit will have the opportunity to unenroll from receiving the payments.

[IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021)



Advance Payments of the 2021 Child Tax Credit

THE BASICS

WHAT?

For tax year 2021, 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

The total of the advance payments will be up to 50 percent of the Child Tax Credit.

WHO?

The maximum credit is available to taxpayers with a modified adjusted gross income of:

- \$75,000 or less for single filers and married persons filing separate returns,
- \$112,500 or less for heads of household, and
- \$150,000 or less for married couples filing a joint return and qualifying widows and widowers.

Eligible taxpayers don't need to take any action now other than to file their 2020 tax return if they haven't done so. Taxpayers can benefit from the credit even if they don't have earned income or don't owe any income taxes.

WHEN?

Advance payments of the 2021 Child Tax Credit will be made monthly from July 15 through December 15 to eligible taxpayers who have a main home in the United States for more than half the year.

HOW?

- Advance payments will be calculated and paid automatically.
- Eligible taxpayers who don't want to receive advance payment of the 2021 Child Tax Credit can unenroll from payments.
- Eligible taxpayers who don't normally file a tax return can register for the monthly advance payments using the **Non-filer Sign-up Tool**.

Visit [IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021) for more information and to access the online tools.