# better health together

# CHILD TAX CREDIT

# Assistance For Non-filers

The Child Tax Credit (CTC) is intended to cut the child poverty rate in half. Approximately 2,500-3,000 children whose families have usually not filed taxes may not receive the CTC, potentially losing \$3.7m to \$4.6m in funding for families in the Spokane region. Help spread the word about CTC eligibility for families who usually do not file taxes!

# **Background & Eligibility**

Starting July 15, families began receiving monthly payments for the CTC. Eligible families can receive up to \$3,600/year (\$300/month) per child under the age of 6 and \$3,000/year (\$250/month) per child ages 6-17.

Half of the CTC can be paid through advanced monthly payments from July – December 2021. To receive the second half, families must file a 2021 tax return in 2022 to get the remainder as a lump sum with their tax return.

### Eligibility criteria:

- Filer(s) receiving the child tax credit must claim that child (ages 0-17) when filing taxes
- Adjusted Gross Income (AGI) under \$75,000 for individual returns, \$112,500 for those filing head of household, or \$150,000 for joint returns\*
- Filed taxes or completed a non-filer tool and plan to file a 2021 tax return (filed in 2022)
- For more information, visit: <u>irs.gov Advance Child Tax Credit Eligibility Assistant</u>

\*If AGI exceeds the above amounts, the CTC is reduced by \$50 for each \$1,000 over the thresholds.

**Non-filers** - Those who earn less than \$12,400 for an individual and \$24,800 for a married couple filing jointly are not required to file taxes.

If a family did NOT file federal income taxes in 2019 or 2020, they need to complete an IRS non-filer tool to receive payment. Families who filed federal income taxes in 2019 or 2020 do not have to do anything to start receiving payments.

## Resources

<u>GetCTC.org</u> is the simplified, mobile-friendly portal for families who do not have to file taxes (\$12,400 for an individual or \$24,800 for a married couple filing jointly).

<u>GetYourRefund.org</u> is an online portal for filing taxes for families who make more than \$12,400 for an individual or \$24,800 for a married couple. This form is more complicated, but there is an option to sign up for a free VITA tax prep volunteer.

Mom's Rising CTC webpage has a comprehensive FAQ about the Child Tax Credit.

Do non-US citizens qualify for the CTC?

- Yes. Parents just need to have an ITIN (Individual Taxpayer Identification Number).
   They can renew or sign up for an ITIN on the IRS website.
- Children must have a Social Security Number to qualify for the CTC.
- The CTC does NOT affect immigration status.

Sample language to add to your resource distribution lists:

# Families with kids qualify for the Child Tax Credit.

If you file federal income taxes and claim children ages 0-17, you will automatically receive the Child Tax Credit. If you do not file federal income taxes, you may be eligible to start receiving \$300 a month per child under 6 or \$250 per child between 6-17 years old. If your annual income is less than \$12,400 for an individual or \$24,800 for a married couple, fill out a non-filer form at <a href="MetaTCC.org">GetCTC.org</a> to be eligible to receive the Child Tax Credit. If your income is higher, you likely qualify for more and should file taxes at <a href="MetaTCC.org">GetYourRefund.org</a>.



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# **Screening Questions**

If you and your organization work with clients eligible for the Child Tax Credit, you can incorporate the following screening questions to see if your client should complete a non-filer tool.

# Do you have kids between the ages of 0-17 (not 18+)?

- If no, they are not eligible.
- If yes, continue to the next question.

# Did you file federal income taxes last year?

- If yes, then they should automatically receive monthly payments.

  If they still haven't received payment, they can check their payment status at the <a href="IRS Update Portal">IRS Update Portal</a> and update payment information or <a href="file a trace">file a trace</a> to request missing funds.
- If no, continue to the next question.

# Did you make less than \$12,400 as an individual or \$24,800 as a married couple filing jointly?

- If no, they must file taxes for 2020 at <u>GetYourRefund.org</u>
  They can register for free tax prep from <u>a Volunteer Income Tax Assistance (VITA)</u> or file themselves.
- If yes, complete the non-filer tool at <u>GetCTC.org</u>

  This tool is a simplified, mobile-friendly portal that individuals can do themselves.

# The following information is needed:

- Full name
- Valid Social Security numbers or other taxpayer numbers (ITINs) for individual and dependents
- Date of Birth
- Current mailing address
- Bank account number, routing number, and type (if the individual has one)
- Identify Protection Personal Identification Number (IP PIN) if the individual has one\*
   \*This is uncommon and would have come from the IRS.
- **If yes**, there is an option to use the <u>IRS non-filer tool</u>

  This tool is not as user-friendly.
  - If someone uses this form, they must enter 2019 reported AGI. If they did not file 2019 taxes in 2020, they can enter \$0 in this space. The form will not let them continue without it.
  - They also must create a PIN number when entering taxes.
  - Here is a <u>video</u> on using the IRS non-filer tool to enter 2019 AGI at the 17-minute mark.