

There is another reason to file your 2020 tax return

Recent changes to the Child Tax Credit

The American Rescue Plan Act provides for an ADVANCE CHILD TAX CREDIT.
The Child Tax Credit will now be available through advance payments during 2021.

Here's what you need to know about the Advanced Child Tax Credit:

- **You should file a 2020 tax return.** Your eligibility for the credit will likely be based upon the information you report on your 2020 tax return.
- **The credit amount increased.** The credit amount has been increased from \$2,000 to \$3,600 for children under 6, and to \$3,000 for other children under 18.
- **Get payments ASAP.** Individuals eligible for a 2021 Child Tax Credit can receive a portion of the credit in advance, via payments starting July 1, 2021 through December 31, 2021.
- **Online Portal to update information.** The law requires the IRS to create a new online portal through which families can update their information for the credit. More specific information about the portal is not yet available.
- **The credit was expanded to include children aged 17 years old.** Children 17 years old and younger will now be covered by the Child Tax Credit.

Are you eligible for the Child Tax Credit (CTC)?

A child generally qualifies you for the CTC if the child meets all of the following conditions:

1. The child is your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them.
2. The child was under age 17 at the end of 2020.
3. The child did not provide over half of his or her own support for 2020.
4. The child lived with you for more than half of 2020 (some exceptions may apply).
5. The child is claimed as a dependent on your tax return.
6. The child does not file a joint tax return for the year.
7. The child was a U.S. citizen, U.S. national, or U.S. resident alien.

The Community Tax Law Project

Telephone: 804-358-5855 • E-mail: Info@ctlp.org

*This information is correct as of 3/25/2021. We are waiting for the IRS to release further guidance on certain topics such as what to do for the advanced CTC when children are moving between parents or households or in shared custody situations.

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