

## **About the Advance Child Tax Credit -2021 Tax Returns Only-**

Important changes to the Child Tax Credit helped many families get advance payments of the credit starting in the summer of 2021.

- The amount of the Child Tax Credit was increased from \$2000/child per year to the following:
  - \$3,600 per year for children aged 5 and under
  - \$3,000 per year for children aged 6 through 17

There is a phaseout of the credit based on household income.

- Half the total credit amount was paid in advance monthly payments beginning in July of 2021. Payments were made up to \$1,800 (or \$300 per month), for each qualifying dependent age 5 and under, and up to \$1,500 (or \$250 per month), for each dependent aged 6 to 17.
- Taxpayers can claim the remaining half of the credit when they file their 2021 income tax return.
- The credit is refundable, which means that if a taxpayer doesn't owe taxes, or owes less than the lump sum amount, they will receive the balance remaining of the credit as part of their tax refund.
- Taxpayers who receive more money than they are eligible for must report the excess amount on their 2021 tax return as additional income tax, reducing their tax refund or increasing how much they owe the IRS. See [Advance CTC Repayment Protection](#).

### **Who Qualifies for the Credit?**

- The taxpayer (and spouse, if married filing a joint return) must have an SSN or an ITIN.
- A child must have an SSN that is valid for employment in the United States in order to be a qualifying child for the credit.
- The taxpayer (or spouse, if married filing a joint return) must have their main home in one of the 50 states or the District of Columbia for more than half the year. If you are temporarily away from your main home because of illness, education, business, vacation, or military service, you are generally treated as living in your main home.

## How to Assist the Taxpayer

**Special Note About MFJ Filers:** Taxpayer-spouses who filed as Married Filing Jointly in 2020 will each receive a separate and distinct **Letter 6319** from the IRS. Each spouse's **Letter 6319** will reflect half of the total ACTC sent to the household in 2021. To accurately reflect the amount of ACTC received by the household, total the amounts on **both** letters and enter the sum in TaxSlayer. The number of dependents listed on either **Letter 6319** is accurate and does not need to be summed.

If the taxpayer needs assistance verifying the amount of advance CTC received in 2021, refer to [How Can Taxpayers Verify The Amount of ACTC Received?](#).

For general information about controlling eligibility for CTC and COD in a tax return, refer to:

- [Adding CTC/COD to a Tax Return](#)
- [Restricting CTC/COD in a Tax Return When Ineligible](#)