



United Way
for Southeastern Michigan

HOW TO MAKE SURE YOU RECEIVE YOUR CHILD TAX CREDIT PAYMENTS IN JULY

*Matt Hetherwick, Director of Individual Tax Programs,
Accounting Aid Society*



Agenda

- What is new with the Child Tax Credit?
- Who is eligible?
- How to make sure you get your payments
- Next steps & resources

What is the new Child Tax Credit?

What has changed?

- Larger dollar amount
- Available to families with low / untaxed incomes
- Half of total payment made as monthly cash payments in July – December 2021

	Up to age 6	Ages 6-17
Total possible annual benefit per child	Up to \$3,600	Up to \$3,000
First half of payment (paid monthly from July-December 2021)	\$300 per month per child totaling up to \$1,800 in 6 months	\$250 per month per child totaling up to \$1,500 in 6 months
Second half of payment (paid at tax time in spring 2022)	\$1,800 per child in a one-time payment after filing 2021 taxes.	\$1,500 per child in a one-time payment after filing 2021 taxes.

Who is eligible?

Most families with children are eligible

- You are a parent, guardian or caregiver with dependent children up to age 17.
 - Don't need to be a biological parent: grandparents, aunts/uncles, foster parents, other relationships are ok.
 - Child must live with you at least 6 months out of the year.
 - Joint custody arrangements: only one parent can claim the credit.
- Child must have a Social Security number. (Adults may have ITINs)
- Available to families with low or untaxed incomes.
- Benefit reduced or eliminated at higher incomes.

Filing status	Income limit to receive full benefit
Single	\$75,000
Head of household	\$112,500
Married filing jointly	\$150,000

How to ensure you receive your payments

- You must **file taxes for tax year 2019 or 2020** to receive the advance monthly payments.
 - Filling out the IRS nonfiler tool in 2019/20 to claim original stimulus payments counts as having filed taxes for Child Tax Credit purposes
- You must **file taxes for tax year 2021** (in spring 2022) to receive the second half of the payment

It's not too late to file taxes for 2020!

If you've already filed taxes for 2019 or 2020

Monthly payments will start automatically ~ July 15th

- Double check your tax return that the IRS has your information correct:
 - Address, bank account information
 - # of dependent children and ages
- If you need to update your information -- new website from IRS coming soon
- If you want to opt-out of monthly payments and prefer a lump sum in spring 2022 – new website from IRS coming soon

If you have filed taxes for 2019 but not for 2020, it's not too late to file for 2020 to access additional benefits!

If you still need to file taxes

Two ways to file for free:

For everyone

File online yourself using United Way's My Free Taxes -- free guided online software.

A helpline (866-698-9435) is available daily from 10 a.m. to 10 p.m. for questions about using the software.

UnitedWaySEM.org/taxes

For Wayne, Oakland and Macomb families that made up to \$57,000 in 2020

Schedule an appointment for free, IRS-certified tax preparation services. A mix of entirely virtual, COVID-safe document drop-off, and in-person appointments are available.

Visit GetTheTaxFacts.org or call 2-1-1 to schedule an appointment

What about the new IRS nonfiler tool?

We encourage everyone to file a full tax return rather than using the IRS non-filer tool so that you can access additional tax credits like the Earned Income Tax Credit, Michigan Home Heating Credit, and the Homestead Property Tax Credit. **The only way to make sure that you receive all available credits is to file a full tax return.**

GetTheTaxFacts.org

Visit [GetTheTaxFacts.org](https://www.getthetaxfacts.org) for all the information and resources you need:

- If you haven't filed your taxes yet and need help filing
- If you've filed already and need to update your information with the IRS
- If you want to opt-out of monthly payments
- If you have questions about the Child Tax Credit or other benefits available to you through the tax system

GetTheTaxFacts is a collaborative effort from United Way for Southeastern Michigan, Accounting Aid Society, Wayne Metro, City of Detroit, and other partners.



UNITED WAY FOR SOUTHEASTERN MICHIGAN