

What you need to know about your Child Support Order and Advance Payments under the American Rescue Plan's (Expanded) Child Tax Credit

Background

The American Rescue Plan Act of 2021 (ARPA) made temporary changes that increase the Child Tax Credit and also provide for advance payments in 2021. The tax credit you might receive in 2022 when you file your 2021 tax return may now be sent to you in 2021 as advance monthly payments.

- Payments will be distributed between July 1 and December 31, 2021.
- If you have a Child Support Order, contact the IRS to find out if the advance payments will cause a tax problem for you.
- **IMPORTANT:** Because the IRS will be using 2019- or 2020-income tax data, the IRS may make payments to the parent not entitled to the 2021 credit under the Child Support Order.

Will I get the Child Tax Credit?

- Most people with kids 17 years old and younger are eligible for the tax credit.
- Higher income earners may not receive the Child Tax Credit.
- If you don't want the advance payments, **contact the IRS immediately and tell them.**

Changes for the 2021 tax year ONLY

- Parents with children who turn 17 in 2021 will most likely receive money.
- Parents of younger children will receive more than those with older children.
- Even if you don't have any earned income, you may receive the full tax credit.
- Even if you owe federal income taxes for 2021, you might be able to receive a tax refund check for anything left over from the Child Tax Credit.
- You will receive part of the Child Tax Credit in regular advance payments before you file your 2021 tax return.
- Advance monthly payments only apply to 2021.

Advance Monthly Payments

- Beginning in July, you should start receiving monthly payments that will total half of your 2021 Child Tax Credit.
 - You will get equal payments on the 15th of each month from July through December 2021.
 - Payments will be through direct deposit, debit card, or a paper check.
 - If you are a taxpayer, you can claim the remaining half of your 2021 child tax credit when you file your income tax return in early 2022.
 - If you don't want to receive the payments, **contact the IRS immediately and tell them.**

IMPORTANT!
If you qualify for the tax credit, you will be automatically enrolled to receive payments.

- The IRS will use your most recent (2019 or 2020) tax return to see if you qualify and figure out how old your kids are, so it knows the right amount to pay you each month.
 - Starting July 1, you can also update your information on the [IRS website](#).
 - If you are a low-income family and are not required to file taxes, you can still receive the Child Tax Credit if you sign up for the Child Tax Credit on the [IRS website](#).

Child Support

- Your Child Support Order will tell you which parent should claim federal tax benefits, including the Child Tax Credit for 2021
 - Only one parent can claim the tax credit for 2021.
- IMPORTANT: Because the IRS will be using 2019 or 2020 income tax data, the IRS may make payments to the parent not entitled to the 2021 credit under the Child Support Order.
 - You must make sure you are correctly following your Child Support Order and the IRS rules.
 - You may need to sign [IRS Form 8332](#) by January 31, 2022, to release the 2021 tax benefit.
- If you receive more 2021 Child Tax Credit than you should, you will probably need to repay it to the federal government.
 - Lower- and moderate-income taxpayers may not have to repay the advance payments under certain circumstances.
- If your Child Support Order does not allow you to claim your child in 2021, you might want to contact the IRS or a tax professional for help.
 - They may tell you to decline the advance payments.
 - They may warn you that you may need to repay any extra advance payments to the federal government if the other parent claims the child for 2021.

Good News!
If you have children under 18, you may be eligible for tax credits even if you do not usually file taxes or make a lot of money.

REMINDER!
Check your child support order to make sure the right parent will get the payments.

More information can be found on the websites below

General information and answers from the IRS to frequent questions about the Child Tax Credit:

- [2021 Child Tax Credit and Advance Child Tax Credit Payments — Topic A: General Information | Internal Revenue Service \(irs.gov\)](#)

Overview of the Child Tax Credit program

- [Advance Child Tax Credit Payments in 2021 | Internal Revenue Service \(irs.gov\)](#)
- [IRS, Treasury announce families of 88 percent of children in the U.S. to automatically receive monthly payment of refundable Child Tax Credit | Internal Revenue Service](#)
- [Advance Child Tax Credit Payments in 2021 | Internal Revenue Service \(irs.gov\)](#)
- [The Child Tax Credit: Temporary Expansion for 2021 Under the American Rescue Plan Act of 2021 \(ARPA; P.L. 117-2\) \(congress.gov\)](#)