

# The Child Tax Credit and Mixed Immigration-Status Families

*By Ashley Burnside*

## 1. What is the Child Tax Credit (CTC), and how did it change under the American Rescue Plan?

The Child Tax Credit (CTC) is a refundable tax credit available to families with children 17 or under who are their tax dependents. A refundable credit means that you can get money back even if the credit is more than you owe in federal income taxes. The purpose of the credit is to invest in parents as they care for their kids and help parents pay for expenses related to raising their children. In most cases, children must live with you for more than half the year to be claimed (you can find more information on whether a child can be claimed as your dependent [here](#)).

The American Rescue Plan expanded the CTC for tax year 2021. This year, families can get an even bigger CTC and can receive payments on a monthly basis, rather than having to wait until they file their 2021 tax returns in 2022. These changes are only for tax year 2021 right now, but President Biden has called for Congress to extend the changes into future years.

Starting on July 15, 2021, eligible families will generally get:

- \$300 per month for each child in the household under the age of 6.
- \$250 per month for each child in the household ages 6-17.

Families can get the CTC payments either by direct deposit or as a check by mail. Parents will get the monthly payment on the 15<sup>th</sup> of every month between July and December 2021 if they have filed a tax return or used an IRS non-filer portal and are eligible. When families file their 2021 taxes in 2022, they will get the remaining CTC benefit that they're eligible for.

## 2. What are the income limits for the CTC?

There is no minimum income required to get the CTC for tax year 2021. Even if a family has \$0 in reported income and didn't work during the previous year, they can still be eligible for the full CTC as long as they have children within the age limits who have Social Security numbers.

The upper income limit is \$150,000 per year for married couples and \$112,500 for single parents filing as "head of household" to get the full \$250 or \$300 monthly CTC benefit. Once a family's income goes above these thresholds, the CTC will begin to phase out.

### 3. Do I need a Social Security number (SSN) to be eligible for the CTC?

Children **must have an SSN** to be eligible for the CTC. Parents are *not* required to have an SSN, but they must have an Individual Taxpayer Identification Number (ITIN) to claim the CTC for their eligible children.

### 4. What if my child doesn't have an SSN? What if my child is over the age of 17? Can they still qualify for a tax credit?

The CTC is only available for children ages 17 and younger with SSNs valid for employment in the U.S.

Taxpayers may claim the *non-refundable* "**credit for other dependents**" for dependents who do not qualify for the CTC on this basis. This includes dependents over the age of 17, dependents who have ITINs, and other qualifying relatives living with the taxpayer whom they support (such as aging parents.) This credit reduces the taxes you owe by up to \$500 per qualifying individual.

### 5. Will receiving the CTC affect my immigration status or my ability to get a green card?

No, receiving the CTC or other tax credits that you are eligible for will not affect your immigration status, your ability to get a green card, or your future immigration plans. Use of tax credits is not considered in a "**public charge**" determination by U.S. Citizenship and Immigration Services.

### 6. How can I get an ITIN if I don't already have one?

To file for an ITIN, you can **submit form W-7** with your tax return by either mailing in your form and supporting documents or locating an in-person processing center. If renewing an existing ITIN, you can complete the same form, Form W-7, without filing a tax return.

- **I would like to submit my application in person.** You can bring your documents to a **Certifying Acceptance Agent (CAA)** for processing, but these CAAs are not as easily accessible for people living in rural areas. While the IRS does not charge a fee for applying for an ITIN, CAAs may charge—you should ask up front about any fees.
- **I prefer to mail my ITIN application.** Complete Form W-7 and mail it with your tax return, along with original or certified copies from the original issuing agency of **supporting documentation**. Your documents will be returned to you, but there may be delays. All forms should be mailed to:

Internal Revenue Service  
Austin Service Center ITIN Operation  
P.O. Box 149342  
Austin, TX 78714-9342

### 7. Are DACA recipients eligible for the CTC?

Yes, qualifying residents, including DACA recipients, are eligible for the CTC so long as the children being claimed in the household have a valid SSN. DACA recipients who are dependents of ITIN filers can also be claimed for the CTC because they have valid SSNs. Review more information for DACA recipients filing taxes [here](#).

### 8. Do I have to file taxes to get the CTC?

To provide the advance CTC payments, the IRS needs to know about you and your children. If you filed a 2020 return by May 17th and qualify for the CTC based on the information in that return, the IRS will send

you advance payments starting on July 15, 2021. If you didn't file your 2020 tax return, the IRS will use the information from your 2019 return to determine your CTC eligibility. The IRS will also use information from the stimulus payment non-filer online portal you may have filled out to get your economic impact payment last year. If you used this portal and are eligible, you will get the CTC based on the information you submitted in the portal.

The IRS has also created a **sign up for the CTC** if you didn't file your taxes or use the stimulus payment portal. Families will need the full names and Social Security numbers (or ITINs for qualifying parents) for all adults and children in the household, an email address or phone number to create an account, their address, and their banking information if they want to use direct deposit to get their payment. (If they do not have banking information, the IRS will send the CTC payment as a check to the address provided.)

And the IRS **has set up a website** where you can tell them if you don't want to receive monthly payments and if you would prefer to receive the full amount of the credit next year. You can use the website to view your advance payment schedule and determine your eligibility, and to notify them if your bank information has changed. You will also eventually be able to use this website to notify them if your address changes after you file your taxes, or if your family or marital status changes.

### 9. Is there a deadline to sign up?

The IRS will send checks starting in July to the families it knows about. If you file taxes or use the **CTC non-filer portal** later in the year to sign up for the CTC payments, you will get larger payments each month until December so you still receive half of the total amount of the CTC in 2021. The non-filer portal will be open until November 15, 2021.

If you don't get the advance payments of the CTC in 2021, you can still claim it by filing a tax return in early 2022. Everyone will need to file a return then to get the other half of their CTC credit.

### 10. Are there other refundable credits that I can get by filing taxes?

The third stimulus payments of \$1,400 per person (authorized in 2021) are also available for children with SSNs even if their parents file with ITINs. By filing taxes, you can also claim other refundable credits that you may be eligible for, such as the Child and Dependent Care Credit for child care that allows you to work, or the American Opportunity Tax Credit for tuition or fees for postsecondary education.

Taxpayers with low to moderate incomes who have SSNs and earned income can also qualify for the **Earned Income Tax Credit**.

### 11. How can I get help filing my taxes?

You have several free ways to file online or receive in-person support to file your taxes. If you don't have access to the internet, your local library or community center may have computers available to the public for limited hours. You may encounter increased wait times for hands-on filing services due to the pandemic and availability of in-person sites. Here are a few options:

- **IRS Free File.** If your income in 2020 was \$72,000 or less, you can use one of the tools available here. One of them is available in **Spanish**.
- **AdvCTC Free Tax Prep Days.** The IRS is supporting special days to help people claim the Advance CTC in twelve cities.

- **IRS's Volunteer Income Tax Assistance (VITA).** This program offers basic tax return preparation to people who generally make \$57,000 or less, those with disabilities, and people who speak limited English. We suggest reviewing “**what to bring**” and calling your local site before arriving, as some sites may require appointments, vary in services, or only operate online this year.
- **MyFreeTaxes.** You can file yourself or be connected to a VITA service.
- **AARP Foundation.** You can locate a tax aide by navigating to this link and entering your ZIP code. AARP focuses on taxpayers over 50 with limited or moderate income.
- **GetYourRefund.** This website offers free tax filing you can complete yourself or referrals to a VITA service.

## 12. I have never filed taxes before because I never made enough income, so what do I need?

Even if you didn't make any income, you can still receive the CTC by filing **IRS Tax Form 1040 or 1040-SR**. To complete the form, you will need the following information:

- Social Security number or Individual Taxpayer Identification Number (ITIN) for yourself and anyone in your household who is a qualifying dependent and that you will claim on your tax return. Only dependents with an SSN qualify for the CTC
- Date of birth and SSN/ITIN for all persons included on your tax return
- Mailing address
- Bank account information, if applicable
- **W-2, 1099-NEC, 1099-MISC**, or other record of your annual income, if applicable. Please note that some scholarships or grants (**1098-T**) may be taxable income.
- You may be asked to provide additional information such as proof of identification (photo ID) or a Social Security card or ITIN letter if using an in-person tax service, but not if you file online (see question 10 for information about online filing).

You can also sign up to get the CTC payments using **the IRS non-filer portal** (see question 8.)

More questions? Visit <https://www.whitehouse.gov/child-tax-credit/> and

**2021 Child Tax Credit and Advance Child Tax Credit Payments Frequently Asked Questions | Internal Revenue Service (irs.gov)** and

**How to Fill out the IRS Non-filer Form | Get it Back**