

# 2021 CHILD TAX CREDIT PAYMENTS FOR THIRD PARTY CAREGIVERS



## ARE YOU ELIGIBLE?

Disbursement of advance Child Tax Credit (CTC) payments began in July and continued on a monthly basis through December 2021, generally based on the information contained in your 2019 or 2020 federal income tax return. If you are eligible for the Child Tax Credit, but did not receive advance Child Tax Credit payments, you can claim the full credit amount when you file your 2021 tax return during the 2022 tax filing season.

You qualified for advance Child Tax Credit payments if you have a qualifying child. Also, you - or your spouse - if married filing a joint return - must have had your main home in one of the 50 states or the District of Columbia for more than half the year.

Your main home can be any location where you regularly live. Your main home may be your house, apartment, mobile home, shelter, temporary lodging, or other location and doesn't need to be the same physical location throughout the taxable year. You don't need a permanent address to get these payments. 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 DO I KNOW IF I RECEIVED AN ADVANCE CHILD TAX CREDIT PAYMENT ALREADY?

The IRS sent letters to taxpayers who qualified that show how much they received for the CTC.

## WHO IS A "QUALIFYING CHILD" FOR PURPOSES OF THE 2021 CHILD TAX CREDIT?

For tax year 2021, a qualifying child is a person who does not turn 18 before January 1, 2022, and who satisfies the following conditions:

1. The child is the taxpayer's son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, a grandchild, niece, or nephew). (This means that third party caregivers are eligible!);
2. The child does not provide more than one-half of his or her own support during 2021;
3. The child lives with the taxpayer for more than one-half of tax year 2021 (i.e., child has been living with the taxpayer for at least 6 months and 1 day).  
The taxpayer does not need to submit any supporting documentation to prove this when initially filing their taxes, unless the IRS has followed up with more information, for example if more than one person has claimed the dependent(s). For exceptions to the "6 months and 1 day" requirement, see [IRS Schedule 8812 \(Form 1040\), Credits for Qualifying Children and Other Dependents](#);
4. The child is properly claimed as the taxpayer's dependent. For more information about how to properly claim an individual as a dependent, see [IRS Publication 501, Dependents, Standard Deduction, and Filing Information. PDF](#);
5. The child does not file a joint return with the child's spouse for tax year 2021 or files it only to claim a refund of withheld income tax or estimated tax paid;
6. The child was a U.S. citizen, U.S. national, or U.S. resident alien. For more information on this condition, see [IRS Publication 519, U.S. Tax Guide for Aliens. PDF](#).

## WHEN IS THE DEADLINE TO APPLY?

For those with tax filing obligations (see [here](#) for a filing requirements chart), the deadline to file or request an extension is April 18th. It's important to note however, that generally those who are owed refunds from the IRS will not be penalized for filing late, even if they are required to file and did not request extensions. Individuals who are not obligated to file - those with no or very low incomes who are most at risk of missing out on the expanded CTC - are not required to file by April 18th. They can continue to file throughout the year and in fact, individuals can file original returns or amended returns for up to three years.

## ARE LEGAL GUARDIANS OF THE CHILD, WHO ARE NOT THE BIOLOGICAL OR ADOPTED PARENT, GRANDPARENT, STEPPARENT, SIBLING, HALF-SIBLING, OR A FOSTER PARENT (PLACED BY A GOVERNMENT AGENCY), ELIGIBLE FOR THE CTC?

If a godparent or friend (or other adult) is a child's legal guardian, as ordered by a court, but not through the foster care system - for example, a family friend who is now the legal guardian of children after their parents died - it is not entirely clear whether they are eligible. In this type of situation, we recommend asking a tax filing specialist or tax attorney.

## **DO I, OR MY CHILDREN, NEED TO HAVE SOCIAL SECURITY NUMBERS (SSNS) TO QUALIFY FOR THE CHILD TAX CREDIT?**

The taxpayer and the taxpayer's spouse, if married filing a joint return, must have a SSN or an IRS Individual Taxpayer Identification Number (ITIN). To obtain an ITIN, the taxpayer must submit Form W-7, proof of identity, and foreign status documents with their tax returns.

The qualifying child, however, must have an SSN in order to qualify. You received advance Child Tax Credit payments only if you used your correct SSN or ITIN when you filed a 2020 tax return or 2019 tax return (including when you entered information into the Non-Filer tool on IRS.gov in 2020 or the Child Tax Credit Non-filer Sign-up Tool in 2021).

Advance Child Tax Credit payments were made for qualifying children who have an SSN that is valid for employment in the United States.

## **WHAT IS MEANT BY AN SSN THAT IS VALID FOR EMPLOYMENT?**

For qualifying children, a valid SSN is one that is valid for employment in the United States and is issued by the Social Security Administration (SSA) before the due date of your 2021 tax return (including extensions).

If an individual was a U.S. citizen when he or she received the SSN, then it is valid for employment in the United States. If "Not Valid for Employment" is printed on the individual's Social Security card and the individual's immigration status has changed so that he or she is now a U.S. citizen or permanent resident, ask the SSA for a new Social Security card.

However, if "Valid for Work Only With DHS Authorization" is printed on the individual's Social Security card, the individual has the required SSN only as long as the Department of Homeland Security authorization is valid.

## **DOES RECEIVING THE CTC IMPACT OTHER PUBLIC BENEFITS THAT I MAY RECEIVE?**

No!

## **WILL I EVER HAVE TO PAY THE MONEY I RECEIVE FOR THE CTC BACK?**

No, the Child Tax Credit is not a loan. If someone receives money for a child who is no longer a dependent, they may have to pay that money back to the IRS – but there are protections in place for when that happens to taxpayers whose income is below \$40,000.

## **WILL RECEIVING THE CTC AFFECT IMMIGRATION STATUS/GREEN CARD ELIGIBILITY?**

No! Use of tax credits is not considered a "public charge" by U.S. Citizenship and Immigration Services. The IRS also is forbidden to share any taxpayer information (such as immigration status) with other U.S. Government agencies.

## **AM I STILL ELIGIBLE FOR THE CTC IF I HAVEN'T FILED TAXES FOR THE LAST FEW YEARS?**

Yes. Taxpayers can file for the past 3 years to receive the refunds they are owed. Even if someone owes child support or taxes, they can still benefit from claiming the CTC.

## **WHERE CAN I GET HELP FILING MY 2021 TAXES?**

For free tax assistance, identify a local IRS Volunteer Tax Assistance (VITA) site using [www.getyourrefund.org/en/vita\\_providers](http://www.getyourrefund.org/en/vita_providers).

Make sure to call VITA before showing up!