



The Expanded Child Tax Credit (CTC): What New York Families Need to Know

1. What is the Child Tax Credit?



The Child Tax Credit is a benefit to help families afford the daily expenses of raising children. The [American Rescue Plan](#) significantly expanded the Child Tax Credit for one year and delivered cash payments to eligible New York families with children. **Families who received monthly CTC payments last year must file their 2021 taxes by April 18th, 2022 to receive the remainder of their Credit. Families who did not sign up for the CTC last year can still receive a full Credit if they file their 2021 taxes!**

2. How did the American Rescue Plan expand the Child Tax Credit?

The American Rescue Plan temporarily expanded the Child Tax Credit in three main ways:

i. INCREASED THE CREDIT'S VALUE AND EXPANDED ELIGIBILITY TO 17-YEAR-OLD CHILDREN

- **Children under 6 receive a \$3,600** per child maximum benefit
- **Children ages 6 to 17 receive a \$3,000** per child maximum benefit



ii. MADE THE CREDIT FULLY AVAILABLE TO CHILDREN IN THE LOWEST INCOME FAMILIES

- **The maximum benefit is available from \$0 in earnings** up through \$112,500 (unmarried filer) or \$150,000 (married filer)

iii. PAID THE CREDIT OUT IN MONTHLY INSTALLMENTS

- Families received half of the Credit via monthly payments in 2021 and will receive the remainder when they file their 2021 tax return
 - **Children under 6 received \$300 per child per month**
 - **Children ages 6 to 17 received \$250 per child per month**



PAYMENT SCHEDULE *		
2021	July 15 th to December 15 th	Monthly payments
2022	Spring	Remainder of 2021 payment

} First half of payment
 } Second half of payment

* Families who did not file taxes last year or who have not signed up for the CTC will receive the full value of the Credit when they file their 2021 tax return.

3. Must individuals be employed to receive this Child Tax Credit?

No! Under the American Rescue Plan, the benefit is available to families with no income.

4. Does the Child Tax Credit impact eligibility for other benefits?

No! The Child Tax Credit does not impact eligibility for other federally-funded benefit programs, such as SNAP or Medicaid. Tax credits do not count as earned income.

5. Who can claim a child for purposes of receiving the Child Tax Credit?

Under current law, a child must live with the person claiming the Credit for at least six months of the year and be a child, grandchild, sibling, niece, or nephew of the tax filer. Children whose primary caregivers are more distant relatives or family friends are denied the benefit, as are children who do not spend at least six months in a single household, such as may be the case with children who move between homes of family members.

6. What if a child has split custody?

If a child has split custody, the parent with primary custody will receive the Child Tax Credit. The child must live with the caregiver for at least six months of the year. If a child splits time equally between two parents, the one with a higher annual adjusted gross income (AGI) may claim the child. The IRS will likely administer advanced payments to the parent claiming the child on their 2020 tax return.

7. Does the Child Tax Credit impact Empire State Child Credit eligibility?

The expanded Child Tax Credit does not impact eligibility for the Empire State Child Credit. Full-year New York residents with children ages 4 to 17 will still receive either 33 percent of the federal Child Tax Credit or \$100 per child, whichever is greater (as long as a family's annual income does not exceed \$75,000 for a single filer, \$110,000 for married filers filing jointly or \$55,000 for married filers filing separately.)



8. Are mixed-status families eligible to receive the Child Tax Credit?

Children must have a Social Security Number (SSN) to receive the Child Tax Credit. Parents are not required to have a SSN, but must have an Individual Taxpayer Identification Number (ITIN) to claim the Child Tax Credit for eligible children.

Note: New York children ages 4 to 17 without SSNs are eligible for the Empire State Child Credit.



DON'T WAIT! To ensure your family receives the entire Child Tax Credit payment you are entitled to, file your taxes *by April 18th*. To locate an IRS Volunteer Income Tax Assistance (VITA) site near you, visit irs.treasury.gov/freetaxprep or receive free online assistance at getyourrefund.org!

For more information, check out our [Child Tax Credit Resources](#).

