

Help Youth and Families During the Pandemic by Assisting Them in Filing Their Taxes by May 17, 2021

Many families and young adults, including older youth in foster care, are eligible for an array of benefits through the American Rescue Plan, but many do not know about these benefits or how to access them. **Economic Impact Payments, the Child Tax Credit, and the Earned Income Tax**, are among the benefits that individuals and families are eligible for, but they must file a tax return by May 17, 2021 to get these funds. **Together these benefits could add up to several thousand dollars.** Let's join together to help young people and families file their taxes by May 17th so they can get crucial funds to help with economic security and opportunity.

Economic Impact Payments (Stimulus Checks)

Who is eligible for the third round of Economic Impact Payments (EIPS) or stimulus payments?

You are eligible for the third EIP if:

- you cannot be properly claimed on someone else's tax return as a dependent,
- you have a social security number (SSN), and
- are making under \$80,000 a year.

How many stimulus payments or EIPS have there been?

There have been three EIP payments. The first EIP was up to \$1200, the second was up to \$600, and the third payment is up to \$1400—this is up to a total of **\$3200**. **If the individual has children, they may be eligible for EIPs on their behalf.** If an individual has not received any of their EIPs they may be eligible to receive all three when they file their taxes.

Are young people in foster care or who have aged out eligible for the third round of stimulus payments?

Many young people in the foster care system and who have aged out are eligible for all of the EIPS, including the third stimulus payment. A young person's eligibility will depend on whether someone can claim them as a dependent on their tax return. Here, "dependent" is a tax term and means that someone could properly claim you on their tax returns even if they do not decide to. (Typically when someone claims a young person as a dependent this means they financially supports them.)

If a young person is in the foster care system, they are likely to not be someone's dependent if:

- they have not been living with their parents or a legal guardian for the last 6 months, and
- they are in a placement that is not a foster home

Child Tax Credit (CTC)

What is the child tax credit?

The child tax credit is money that families will get to help them meet their needs. It is a payment that an individual will get if they have a child and meet the requirements listed below.

How much is the child tax credit?

If an individual has a child, families can get:

- **\$3,600** (\$300 a month) per child for children ages 0 to 5.
- **\$3,000** (\$250 a month) per child for children ages 6 to 17.

When will individuals and families get this money if they are eligible?

The IRS should start paying these benefits monthly in July 2021. Most families will get \$250 to \$300 a month per child from July through December 2021. Families will get the remaining \$1,500 to \$1,800 per child when they file their 2021 taxes in Spring 2022.

Who is eligible to claim the child tax credit?

You must have a child who:

- Has a Social Security Number.
- Lives with you for at least half of the year.
- Is under age 18 as of December 31, 2021.

Children are eligible if they are your children, adopted children, stepchildren, half- siblings, foster children, grandchildren, nieces or nephews, or certain other relatives. The adult filing taxes must have a Social Security Number or an Individual Taxpayer Identification Number.

Earned Income Tax Credit (EITC)

What is the Earned Income Tax Credit?

An individual who has made any money from work may be eligible for the EITC. Individuals who have some income from work may be eligible if they are 18 and older and have a child or are age 25 and older and do not have a child. For this tax year (2021), depending on whether an individual is filing as single or jointly and how many children an individual has, **they may be eligible for \$538 to \$6,660.**

Getting Help Filing Taxes

Do individuals need to file taxes to get these benefits even if they did not make enough money to have to file taxes?

Yes. Individuals need to file a tax return to get these benefits and tax credits even if they made no money or very little money.

Do youth and families need to file their taxes to get these benefits?

YES! If an individual has not received one of the first two stimulus payments, the only way to claim the third stimulus payment is through filing taxes. The individual will get the stimulus payment as a rebate payment after they file their taxes, and may get the first two payments as well. The child tax credit and earned income tax credit are funds that individuals and families get through their tax return as credits.

How do you help individuals get help filing their taxes for free?

If you live in the Philadelphia area, contact the Campaign for Working Families: <https://cwfp Philly.org/>. They can provide free in person and virtual assistance to help you file your taxes.

If you live outside of Philadelphia, check these resources:

- Check out the [Free Tax Filing page](#) for free resources to file.
- Visit Code for America's [Get Your Refund](#) website to connect with an IRS-certified volunteer that can help you file your taxes for free.
- Contact your local [Volunteer Income Tax Assistance \(VITA\)](#) site to get free tax help from an IRS-certified volunteer