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1.1 million Wisconsin children eligible to receive first monthly Child Tax Credit payment next month

Biden administration launches new web portal to sign up, manage automatic monthly payments

President Joe Biden has declared today “Child Tax Credit Awareness Day” to raise awareness about the transformative improvements to the Child Tax Credit (CTC) approved as part of the American Rescue Plan Act (ARPA). The CTC provides much-needed relief to families with low incomes, boosting opportunity and improving long-term prospects for tens of millions of children.

Improvements to the CTC this year are projected to reduce child poverty by 40 percent, according to [analysis by the Center on Budget and Policy Priorities](#). As part of the ARPA, Congress increased the amount of the credit for 2021 from \$2,000 per child to \$3,600 for children under 6 years old and \$3,000 for children between 6 and 17 years old.

An estimated 65.6 million American children will benefit from improvements to the CTC, including roughly half of all Black and Latinx children, whose families (along with other families of color) are disproportionately employed in low-wage jobs because of historic and ongoing discriminatory policies and practices.

A very significant change that begins in July enables families with children to receive up to half their CTC as advance payments, in the form of monthly deposits directly into their bank account, rather than as one lump sum when they file their taxes next year. This will provide much-needed assistance to families sooner, so they can make ends meet month-to-month. More than 1.1 million Wisconsin children live in households that could receive their first payments next month.

In announcing CTC Awareness Day, Biden also announced the rollout of two Web portals that families can use to sign up for and manage their CTC advance payments. Families who have already filed 2019 or 2020 taxes or who signed up for stimulus payments will automatically receive advance payments in July.

Families who have not yet filed or aren't typically required to file taxes because their incomes are too low will be able to sign up through a new online portal available at: <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>.

"Raising children is important, hard work, and it's even harder when families don't have enough money to make ends meet," said Tamarine Cornelius, budget analyst for the Wisconsin Budget Project. "The improvements to the child credit made by the American Rescue Plan Act will make a significant difference for families and kids by making it easier to afford housing, food, clothing, child care and health care. We urge every Wisconsin family to claim this credit."

Programs such as the CTC that lift children out of poverty have been shown to improve prospects for kids' futures, including improved health outcomes, higher math and reading scores, and higher rates of college entry. But to fully achieve those long-term benefits, Congress must make permanent the temporary improvements to the CTC. The American Families Plan proposes extending the improvements, which Congress will consider later this year as it develops economic recovery legislation.

"The short-term expansion of the Child Tax Credit will help many Wisconsinites make ends meet this year, but without action from Congress, the rug will be pulled out from under those families when expanded eligibility and benefits expire in 2022," said Cornelius. "Our elected officials must make these improvements permanent to help improve the lives of children, from all races and backgrounds, for generations to come."

For more information on the Child Tax Credit, Wisconsinites can visit childtaxcredit.gov.

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