

There is Still Time to Help Young People File Their Taxes and Get Vital Funds

Many 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 Credit**, are among the benefits that young people may be eligible for, but they must file a tax return as soon as possible to get these funds. **Together these benefits could add up to several thousand dollars.** The IRS has re-launched its [non-filers tool](#), which makes filing taxes much easier! This document provides information on federal benefits and programs. Please check to see if your state offers additional benefits and funds that young people are eligible for.

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 you have children, you may be eligible for additional payments.** If you have not received any of the EIPs you may be eligible to receive all three when you file your 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. Your eligibility will depend on whether someone can claim you 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 you as a dependent this means they financially supports you.)

If you are in the foster care system, you are likely to not be someone's dependent if:

- you have not been living with your parents or a legal guardian for the last 6 months, and
- you 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 you get if you have a child and meet the requirements listed below.

How much is the child tax credit?

If you have a child, you can get up to:

- **\$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 I get this money if I am 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)

Who is eligible for the Earned Income Tax Credit?

An individual who has made any money from work may be eligible for the EITC. You may be eligible if you have made income from work and:

- you are age 18 or older and have a child, or
- you are age 25 or older and do not have a child.

For this tax year (2020), depending on whether you are filing on your own or jointly and how many children you have, **you may be eligible for \$538 to \$6,660.**

Getting Help Filing Taxes

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

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

Do youth need to file taxes to get these benefits?

YES! If you have not received one of the first two stimulus payments, the only way to claim the third stimulus payment is through filing your taxes. You will get the stimulus payment as a rebate payment after you file your taxes, and you may get the first two stimulus 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.

Can an individual file their taxes even if it is past the tax filing deadline of May 17th?

YES! Young people can still file their tax return NOW. We encourage individuals to file as soon as possible to make sure young people get these needed funds and no later than October 15, 2021.

How can individuals get help filing their taxes?

The IRS has recently re-launched its non-filers tool: <https://www.irs.gov/credits-deductions/child-tax-credit-non-filer-sign-up-tool>. This tool makes filing taxes much easier. You will need the following information to use the non-filer portal: Full name, Current mailing address, Email address, Date of birth, Valid Social Security numbers (or other taxpayer IDs) for you and your dependents, Bank account number, type and routing number, if you have one, and a PIN if you have one from earlier filings with the IRS.

If you want free help filing your taxes, check out 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.