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IRS: Families receiving monthly Child Tax Credit payments can now update their direct deposit information

The Internal Revenue Service today upgraded a key online tool to enable families to quickly and easily update their bank account information so they can receive their monthly Child Tax Credit payment.

The bank account update feature was added to the Child Tax Credit Update Portal, available only on IRS.gov. Any updates made by Aug. 2 will apply to the Aug. 13 payment and all subsequent monthly payments for the rest of 2021.

Families will receive their July 15 payment by direct deposit in the bank account currently on file with the IRS. Those who are not enrolled for direct deposit will receive a check. The IRS encourages people without current bank account information to use the tool to update their information so they can get the payments sooner.

The IRS also urges people to be on the lookout for scams related to the Child Tax Credit. People who need to update their bank account information should go directly to the IRS.gov site and not click on links received by email, text or phone.

How to update direct deposit information

First, families should use the Child Tax Credit Update Portal to confirm their eligibility for the payments. If eligible, the tool will also indicate whether they are enrolled to receive their payments by direct deposit.

If so, it will list the full bank routing number and the last four digits of their account number. This is the account that will receive their July 15 payment, and if they don't change the account, all future payments will go there as well.

Next, if they choose, they can change the bank account receiving the payment starting with the Aug. 13 payment. They can do that by updating the routing number and account number and indicating whether it is a savings or checking account. Note that only one account number is permitted for each recipient—that is, the entire payment must be direct deposited in only one account.

How to switch from paper check to direct deposit

If the Update Portal shows that a family is eligible to receive payments but not enrolled to receive direct deposits, they will receive a check each month. If they want to switch to receiving their payments by direct deposit, they can use the tool to add their bank account information. They do that by entering their bank routing number and account number and indicating whether it is a savings or checking account.

The IRS urges any family receiving checks to consider switching to direct deposit. With direct deposit, families can access their money more quickly. Direct deposit removes the time, worry and expense of cashing a check. In addition, direct deposit eliminates the chance of a lost, stolen or undelivered check.

Families can stop payments anytime

Even after payments begin, families can stop all future monthly payments if they choose. They do that by using the unenroll feature in the Child Tax Credit Update Portal. Eligible families who make this choice will still receive the rest of their Child Tax Credit as a lump sum when they file their 2021 federal income tax return next year.

To stop all payments starting in August and the rest of 2021, they must unenroll by Aug. 2, 2021.

For more information about the unenrollment process, including a schedule of deadlines for each monthly payment, see [Topic J](#) of the Child Tax Credit FAQs on IRS.gov.

Who should unenroll?

Instead of receiving these advance payments, some families may prefer to wait until the end of the year and receive the entire credit as a refund when they file their 2021 return. The Child Tax Credit Update Portal enables these families to quickly and easily do that.

The unenroll feature can also be helpful to any family that no longer qualifies for the Child Tax Credit or believes they will not qualify when they file their 2021 return. This could happen if, for example:

- Their income in 2021 is too high to qualify them for the credit.
- Someone else (an ex-spouse or another family member, for example) qualifies to claim their child or children as dependents in 2021.
- Their main home was outside of the United States for more than half of 2021.

What is the Child Tax Credit Update Portal?

The Child Tax Credit Update Portal is a secure, password-protected tool, available to any eligible family with internet access and a smart phone or computer. It is designed to enable them to manage their Child Tax Credit accounts. Right now, this includes updating their bank account information with the IRS or unenrolling from monthly payments. Soon, it will allow people to check on the status of their payments. Later this year, the tool will also enable them to make other status updates and be available in Spanish.

To access the [Child Tax Credit Update Portal](#), a person must first verify their identity. If a person has an existing IRS username or an ID.me account with a verified identity, they can use those accounts to easily sign in. People without an existing account will be asked to verify their identity with a form of photo identification using ID.me, a trusted third party for the IRS. Identity verification is an important safeguard and will protect the user's account from identity theft.

Anyone who lacks internet access or otherwise cannot use the online tool may unenroll by contacting the IRS at the phone number included in the outreach letter they received from the IRS.

Who is getting a monthly payment?

In general, monthly payments will go to eligible families who:

- Filed either a 2019 or 2020 federal income tax return.
- Used the Non-Filers tool on IRS.gov in 2020 to register for an Economic Impact Payment.
- Registered for the advance Child Tax Credit this year using the new Non-Filer Sign-Up Tool on IRS.gov.

An eligible family who took any of these steps does not need to do anything else to get their payments.

Normally, the IRS will calculate the advance payment based on the 2020 income tax return. If that return is not available, either because it has not yet been filed or it has not yet been processed, the IRS is instead determining the payment using the 2019 tax return.

Eligible families will receive advance payments, either by direct deposit or check. Each payment will be up to \$300 per month for each child under age 6 and up to \$250 per month for each child ages 6 through 17. The IRS will issue advance Child Tax Credit payments on these dates: July 15, Aug. 13, Sept. 15, Oct. 15, Nov. 15 and Dec. 15.

Tax returns processed by June 28 will be reflected in the first batch of monthly payments scheduled for July 15.

Taxpayers will receive several letters

Taxpayers will also receive several letters related to the Child Tax Credit. In the next few weeks, letters are going to eligible families who filed either a 2019 or 2020 federal income tax return or who used the Non-Filers tool on IRS.gov to register for an Economic Impact Payment. The letters will confirm their eligibility, the amount of payments they'll receive and that the payments begin July 15. Families who receive these letters do not need to take any further action. The personalized letters follow up on the Advance Child Tax Credit [Outreach Letter](#), sent in early- and mid-June, to every family who appeared to qualify for the advance payments.

Child Tax Credit 2021

The IRS has created a special Advance Child Tax Credit 2021 page, designed to provide the most up-to-date information about the credit and the advance payments. It's at [IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021).

Among other things, it provides direct links to the Child Tax Credit Update Portal, as well as two other online tools –the Non-filer Sign-up Tool and the Child Tax Credit Eligibility Assistant, a set of frequently asked questions and other useful resources.

Child Tax Credit changes

The American Rescue Plan raised the maximum Child Tax Credit in 2021 to \$3,600 for children under the age of 6 and to \$3,000 per child for children ages 6 through 17. Before 2021, the credit was worth up to \$2,000 per eligible child.

The new maximum credit is available to taxpayers with a modified adjusted gross income (AGI) of:

- \$75,000 or less for singles,
- \$112,500 or less for heads of household and
- \$150,000 or less for married couples filing a joint return and qualified widows and widowers.

For most people, modified AGI is the amount shown on Line 11 of their 2020 Form 1040 or 1040-SR. Above these income thresholds, the extra amount above the original \$2,000 credit — either \$1,000 or \$1,600 per child — is reduced by \$50 for every \$1,000 in modified AGI. In addition, the credit is fully refundable for 2021. This means that eligible families can get it, even if they owe no federal income tax. Before this year, the refundable portion was limited to \$1,400 per child.

For the most up-to-date information on the Child Tax Credit and advance payments, visit [Advance Child Tax Credit Payments in 2021](#).

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