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Sent: Tuesday, June 22, 2021 11:31 AM
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Subject: Child Tax Credit Outreach

Good Morning,

Yesterday, June 21, was Child Tax Credit Awareness Day. To ensure all families are informed of the [expanded federal Child Tax Credit \(CTC\)](#) BWF would like to notify you that the first [advance payments](#) of the federal CTC will begin to be distributed on **July 15**. Please take a moment to review the attachments, read the announcement from the Office of Child Care below, and share resources with program participants to meet your agency's needs.



Monday, June 21st, Is Child Tax Credit Awareness Day!

**Help Us Spread the Word About the Largest Child Tax Credit Ever and Learn More at
ChildTaxCredit.gov**

Today, the Biden-Harris Administration celebrates Child Tax Credit Awareness Day. President Biden's American Rescue Plan (ARP) Act included historic investments to support low- and middle-income parents who have long faced increasing financial strain, worsened by the coronavirus disease 2019 (COVID-19) pandemic. Child Tax Credit Awareness Day is meant to ensure that parents know about the ARP Act's historic expansion of the child tax credit (CTC) and how it will benefit their families.

The CTC Provides Major Tax Relief for Nearly All Working Families

- All working families will get the full credit if they make up to \$150,000 for a couple or \$112,500 for a family with a single parent (also called head of household).
- The CTC has been expanded to \$3,000 per child ages 6–17 years and \$3,600 per child younger than age 6.
- Roughly 39 million households—covering 65 million children (nearly 90 percent of children in the United States)—will automatically receive the new CTC.
- Starting on July 15th and continuing through the rest of the calendar year, payments of \$250 per child between ages 6–17 or \$300 per child younger than age 6 will be made monthly (via direct deposit for 80 percent of families and through the mail for the others).
- The Internal Revenue Service has launched a [simplified online tool](#) that will allow families not automatically enrolled in the program to receive the CTC. For more information, visit [ChildTaxCredit.gov](#).

President Biden’s American Families Plan Calls for Extending the CTC for Years and Years

The new CTC enacted in the ARP Act is only available for 2021. President Biden strongly believes that we should extend the new CTC for years to come, and he proposes to do that in his American Families Plan.

Easy Signup for Low-Income Families To Cut Child Poverty in Half

Low-income families with children are eligible for this crucial tax relief, including those who have not made enough money to be required to file taxes. If a couple makes less than \$24,800, a head of household makes less than \$18,650, or a single filer makes less than \$12,400, and they have not filed their taxes, a simple, easy tool is available to sign up for the CTC. Learn more at [ChildTaxCredit.gov](#).

Help Us Spread the Word

Use June 21st as the occasion to host events, make calls, post on social media to elevate the CTC, or announce future efforts to promote awareness and signups for the CTC. Here are some ways to engage on that day and in the following weeks and months

- Host or join events or Zoom calls in your district at family centers, houses of worship, community centers, and other places that families visit and pitch the events or calls to local media.
- Write and/or place an op-ed about the importance of the CTC in your regional or local media outlet.
- Participate in a webinar with faith and community leaders to tell them about the CTC and the ways that they can ensure access to the CTC for members of their congregations and communities.
- Partner with school districts, education leaders, and child care centers to share information with parents.
- Raise awareness via social media (e.g., write a post, compose a tweet, partner with an advocacy organization for an Instagram Live event).
- Join local and national broadcasts to discuss the impacts of the CTC.

- Partner with local sports teams to raise awareness of the CTC through their social media channels, events, and other engagements.



Office of Child Care
Administration for Children and Families
U.S. Department of Health and Human Services



2021 Advance Child Tax Credit Payments

Payments start July 15

Filed already?

You don't need to take any action now if you've filed a 2020 tax return.

Haven't filed yet?

File your tax return as soon as possible. For people not required to file a tax return and who didn't file in 2019 or 2020, quickly register using the IRS **Non-filer Sign-up Tool**. You may qualify for the Child Tax Credit and Economic Impact Payments.

- Eligible families can receive advance payments of **up to \$300 per month** for each child under age 6 and **up to \$250 per month** for each child age 6 and above.
- Payments begin July 15 and will be sent monthly through December 15 without any further action required.
- You can benefit from the credit even if you don't have earned income or don't owe any income taxes.
- The tax credit includes advance payments for 2021 only.

The American Rescue Plan Act Advance Child Tax Credit provisions include:

- The maximum Child Tax Credit increased to \$3,600 for children under the age of 6 and to \$3,000 per child for children between ages 6 and 17.
- The credit includes children who turn age 17 in 2021.
- Taxpayers may receive part of their credit in 2021 before filing their 2021 tax return.

Eligible taxpayers who don't want to receive advance payment of the 2021 Child Tax Credit will have the opportunity to unenroll from receiving the payments.

[IRS.gov/childtaxcredit2021](https://www.irs.gov/childtaxcredit2021)





Pagos por adelantado del Crédito tributario por hijos de 2021

Pagos comienzan el 15 de julio

¿Ya presentó su declaración?

No necesita tomar acción ahora si ya presentó una declaración de 2020.

¿Aún no ha presentado?

Presente su declaración de impuestos lo antes posible. Las personas que no tienen el requisito de presentar una declaración de impuestos y no presentaron en 2019 o 2020, deben visitar la **herramienta especial Non-filer Sign-up** del IRS. Podrían calificar para el Crédito tributario por hijos y pagos de impacto económico.

- Familias elegibles pueden recibir pagos por adelantado de **hasta \$300 por mes** por cada hijo menor de 6 años y **hasta \$250 por mes** por cada hijo de 6 años y mayor.
- Los pagos comienzan el 15 de julio y se enviarán mensualmente hasta el 15 de diciembre sin ninguna acción requerida.
- Puede beneficiarse del crédito aun si no ganó ingresos y no adeuda impuestos.
- El crédito tributario incluye pagos por adelantado solo para 2021.

Las disposiciones del Crédito tributario por hijos adelantado del Plan de Rescate Estadounidense incluyen:

- La cantidad máxima del Crédito tributario por hijos aumentó a \$3,600 para niños menores de 6 años y \$3,000 para niños entre las edades de 6 y 17.
- El crédito incluye a niños que cumplirán 17 en 2021.
- Los contribuyentes pueden recibir parte del crédito en 2021 antes de presentar su declaración de impuestos de 2021.

Contribuyentes elegibles que no quieren recibir pagos por adelantado del Crédito tributario por hijos de 2021 tienen la oportunidad de optar por no recibirlos.

[IRS.gov/creditporhijos2021](https://www.irs.gov/creditporhijos2021)





TO: **W-2 Agencies**
TJ Contractors and Subcontractors
TMJ Contractors and Subcontractors
Training Staff

FROM: Patara Horn, Director
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BWF/BRP OPERATIONS MEMO

No: 21-09
DATE: 06/08/2021

W-2 ☒ EA ☒ CF ☐ JAL ☒

RAP ☒ TMJ ☒ TJ ☒ Other EP ☐

SUBJECT: *American Rescue Plan Act Stimulus Payments and Tax Credits*

CROSS REFERENCE: [American Rescue Plan Act of 2021](#)
[W-2 Policy Manual Section 3.2.9 Disregarded Income](#)

EFFECTIVE DATE: Immediately

PURPOSE

The purpose of this memo is to:

1. Provide detail on economic stimulus payments and tax credit changes under the American Rescue Plan (ARP) Act of 2021; and
2. Provide guidance on how to treat economic stimulus and Federal Child Tax Credit payments when determining financial eligibility for Wisconsin Works (W-2), Emergency Assistance, Refugee Cash Assistance, Job Access Loans, Transform Milwaukee Jobs (TMJ), and Transitional Jobs (TJ).

BACKGROUND

The COVID-19 pandemic caused a sharp rise in unemployment, leading to state and federal legislation intended to temporarily expand unemployment insurance benefit programs in addition to providing more robust benefits. The federal [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act of 2020](#) provided economic relief in response to the COVID-19 pandemic,

and the federal government provided continued emergency relief through the [Consolidated Appropriations Act of 2021](#). Most recently, the [American Rescue Plan \(ARP\) Act of 2021](#) was passed on March 11, 2021. The ARP Act aims to combat the public health and economic impacts of the COVID-19 pandemic.

For information on additional relief provided in the ARP Act, see [BWF/BRP Operations Memo 21-10 COVID-19 Expanded Unemployment Insurance Benefits Under the American Rescue Plan Act of 2021](#).

ECONOMIC STIMULUS PAYMENTS

The ARP Act of 2021 provides a third round of Economic Impact Payments. Those eligible will automatically receive an Economic Impact Payment of up to \$1,400 for individuals or \$2,800 for married couples, plus \$1,400 for each dependent. Under the ARP Act, families receive a payment for each dependent claimed on a tax return, including adult dependents. Previously, the payments for dependents were limited to qualifying children under the age of 17.

Additional information on the third round of Economic Stimulus Payments, including answers to frequently asked questions, may be found via the corresponding [Internal Revenue Service \(IRS\) Fact Sheet](#) web page.

TAX CREDITS

FEDERAL CHILD TAX CREDIT

The ARP Act increases the federal child tax credit from \$2,000 to \$3,000 per child, ages 6-17, (\$3,600 for children 5 years old and younger) for the 2021 tax year. Periodic "child allowance" payments may be issued to families from July 2021 to December 2021, dependent upon IRS disbursement. Half the total credit amount will be paid in advance with the periodic payments, while the other half will be claimed in 2022 on 2021 tax returns.

OTHER TAX CREDITS

For tax year 2021, the ARP Act expands the child and dependent care tax credit. The ARP also temporarily expands Earned Income Tax Credit eligibility and increases the amount of the credit for taxpayers with no qualifying children for tax year 2021. The Bureau of Working Families will release detailed information relating to federal child tax credits and other tax credits in the annual joint tax credits operations memo to be published in 2022.

POLICY

There is no change to policy for counting tax credits or the COVID-19 Economic Stimulus Payments as income.

When determining financial eligibility, payments must be disregarded as income in the month they are received and as an asset for a period of 12 months from the date of receipt.

TRAINING

The Partner Training Team will update any relevant trainings based on the above policy.

AGENCY ACTION

Agencies must become familiar with policies as described in this memo and update any relevant local agency procedures.

CONTACTS

For W-2 and TJ/TMJ Policy Questions: [BWF Policy Question SharePoint](#)

For TJ/TMJ Processing Questions: DCFDFESBWContracts@wisconsin.gov

For W-2 and TJ/TMJ WWP Functionality Questions: BWF Work Programs Help Desk
BWFworkprogramsHD@wisconsin.gov

DCF/DFES/BWF/LW & DK