

# 2021 Tax Year Credit Information for Families

(for taxes due April 2022)



These charts provide information about tax credits that you may be eligible for as you file your 2021 taxes. While care has been taken to provide you with accurate information, please note that CCSA staff are not tax experts. We hope you find this information helpful. Click [here](#) to view a list of VITA tax filing sites, which may be able to provide you with free tax filing services.

Please feel free to contact our office if we can be of further assistance with any of your child care needs.



Type of Credit	Description	Requirements for Child(ren) being Claimed	Amount of Credit or Refund	Income Eligibility Limits	Forms and Documents to Refer to
<b>Federal Credits (1-800-829-1040) or <a href="http://www.irs.gov/individuals">http://www.irs.gov/individuals</a></b> ** <i>Advance Child Tax Credit Payments</i> Half the total credit amount was paid in advance monthly payments in 2021 and you can claim the other half when you file your 2021 income tax return **					
<b>Expanded Child Tax Credit Part of the American Rescue Plan Act of 2021</b>	Refundable credit (up to \$3,600) that families may claim for each qualifying child, in addition to the DCTC.	Under age 17, Valid SSN	children age 5 or younger, generally you will receive \$3600  children ages 6 to 17, generally you will receive \$3000	\$112,500 (head of household) \$150,000 (married filing jointly). Partial credit for income over thresholds.	IRS Form 1040 or 1040NR and Publication 972
<b>Child &amp; Dependent Care Tax Credit (CDCTC)</b>	Non-refundable credit for work-related child care expenses. Expenses cannot exceed \$4,000 for 1 child or \$8,000 for 2+ children. <a href="#">(will need care provider's SS# or EIN#).</a>	Under age 13	1 Child: 20-35% of expenses, up to \$4,000 2+ Children: 20-35% of expenses, up to \$8,000	No eligibility limits, but amount of credit will depend on income level.	IRS Form <a href="#">2441</a> and Publication <a href="#">503</a>
<b>Earned Income Tax Credit (EITC)</b>	Refundable credit available to low-to moderate-income, working individuals and families.	Under age 19, or under age 24 & a full-time student, or have permanent and total disability, Valid SSN	1 Child: up to \$3,618 2 Children: up to \$5,980 3+ Children: up to \$6,728	<u>Single</u> w/1 Child: \$44,158 w/2 Children: \$47,915 w/3+ Children: \$51,464  <u>Married Filing Jointly</u> w/1 Child: \$48,108 w/2 Children: \$53,865 w/3+ Children: \$57,414  *Investment income of more than \$10,000 = ineligible	IRS Form 1040 or 1040A and <a href="#">Publication 596</a>  For AEITC, a W-5 form must also be completed & submitted to employer
<b>North Carolina Credits (1-877-252-3052) <a href="http://www.dornc.com">www.dornc.com</a></b>					
<b>Child Tax Credit</b>	Non-refundable state credit for each child claimed as a dependent on your federal tax return.	Any child for whom a federal child tax credit was allowed.	\$100 per child  \$125 per child	\$50,000 (filing single) \$100,000 (married filing jointly) \$20,000 (filing single) \$40,000 (married filing jointly)	<a href="#">Form D-400TC</a> , Line 14a & 14b
<b>Affordable Care Act: <a href="http://www.healthcare.gov">www.healthcare.gov</a></b>					
<b>Premium Tax Credit (PTC)</b>	A refundable credit that helps eligible individuals and families cover the premiums for their health insurance purchased through the Health Insurance Marketplace.  Financial Assistance to help people buy health insurance <a href="http://www.healthcare.gov">www.healthcare.gov</a> enroll between 11/1/22-12/15/22 for 2023 health plan.	No Age Limit	Families with incomes between 100%-133% of the federal poverty level will contribute no more than 2.07% of their income toward their monthly premiums, while families with incomes between 300-400% of the federal poverty level will be required to contribute no more than 9.83% of their income. Covers difference between actual cost of health insurance plan & family's contribution – Paid directly to insurer.	Family of four - household incomes between \$35,245 - \$106,000 <i>(Lawfully present immigrants whose household income is below 100% FPL and are not otherwise eligible for Medicaid are eligible for tax subsidies through the Marketplace if they meet all other eligibility requirements can qualify for Premium Tax Credits.)</i>	<a href="#">Form-8962</a> (you will receive 1095-A statement in the mail, which is required to file Federal Income Taxes)

**Notes:** \*A refundable credit means that if the amount of credit you qualify for is more than the taxes you owe, the IRS/state tax agency will send you the difference as a refund, even if you do not owe any taxes and are not required to file a tax return based on your income.

\*\*IRS-sponsored Volunteer Income Tax Assistance (VITA) Sites provide free tax help to people with low-to-moderate- income (generally, \$57,000 and below).

Call the IRS' free hotline at 1-800-906-9887 to locate a VITA site near you. You can also visit <http://irs.treasury.gov/freetaxprep/>.

\*\*\*Individuals with income below \$60,000 can use the Free File Program with free tax prep software. Visit <http://freefilealliance.org/> to learn more.