

# THE CHILD TAX CREDIT: What Parents Need to Know

The federal Child Tax Credit (CTC) provides critical relief to families with children, but it can be complicated and difficult to understand. This FAQ explains how it works, so you can get the help you deserve — and raise your voice so that the CTC provides more help to families with children in the future.

## What is the Child Tax Credit (CTC)?

The Child Tax Credit is a tax benefit from the federal government that can help families with the cost of raising children. The CTC can lower the amount of tax you owe. In some cases, you may even get money back in the form of a tax refund. In 2025, families who are eligible can receive a CTC of up to \$2,200 for each child they have under the age of 17.

**\*NOTE:** In this FAQ, when we say 2025, we mean tax year 2025. You file your 2025 taxes in early 2026. When we say 2026, we mean tax year 2026. You file your 2026 taxes in early 2027.

## Why is the CTC important for families today?

Raising children is expensive. Experts estimate that the average family will spend over \$300,000 raising a child from birth to age 18 — on food, housing, clothing, health care, child care and education, transportation, and more. Families know the strain this puts on their budgets. The Child Tax Credit helps with these expenses, reduce families' financial stress, and sets children up for success.

## Who can get the CTC?

Parents, grandparents, and other caregivers can receive the CTC on behalf of a child they are supporting if:

- The child is under the age of 17, has a Social Security Number (SSN), and lives with them for more than half the year.<sup>1</sup>
- The adult claiming the CTC has an SSN. If you are married and filing a joint tax return, only one spouse is required to have an SSN.

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<sup>1</sup> The SSN for the child as well as at least one parent must be associated with work authorization.

- The household meets the income requirements (see below).

For more details on who is eligible for the CTC, see the Appendix “Eligibility for the CTC.”

## How much money can I get from the CTC?

The Child Tax Credit is worth *up to* \$2,200 per child in 2025.

The amount you receive from the CTC depends on:

- How many children you have.
- How much income you have that year.

The maximum credit of \$2,200 will increase in future years to keep up with inflation.

## How does my income affect my CTC?

How much you receive from the CTC depends on your income. You can receive up to \$2,200 per child in 2025, but as many as [19 million children](#) in families with low and moderate incomes do not receive the full amount because of how the CTC is calculated.<sup>2</sup>

Here is how it works:

- **First, the CTC is used to reduce the taxes they owe.** For example, if you have three children under the age of 17, you could receive up to \$6,600 from the CTC ( $\$2,200 \times 3 = \$6,600$ ). If you owe more than \$6,600 in taxes, then the CTC is used entirely to reduce the taxes you owe, and you receive the full credit of \$2,200 per child.
- **Second, if the CTC exceeds the taxes you owe, you may receive some of it as a refund.** In this example, if you have three children and owe less than \$6,600 in taxes, then you may receive some of the CTC as a refund. But there are special rules to receive the CTC as a refund.
  - You must earn at least \$2,500.
  - Once you have earnings of \$2,500, the credit slowly “phases in,” so the amount you receive from the CTC increases as your income increases.
  - The maximum credit you can receive as a refund is lower than the full \$2,200 per child credit. In 2025, you can only receive \$1,700 per child as a tax refund.

As a result of these rules, families need to have significant earnings to receive the full CTC for each of their children. The exact amount families need to earn to receive the full credit depends on the number of children they have and their filing status.

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<sup>2</sup> Families with high incomes may also receive less than the full \$2,200 per child because the credit decreases once a family’s income is more than \$200,000 for single parents filing as head of household or \$400,000 for married couples filing jointly.

Check out the chart below to see how much you need to make to get the full \$2,200 CTC for each of your children, based on your filing status and number of children:

### Income at Which Families Begin to Receive the Full \$2,200 CTC Per Child in 2025

	Married, Filing Jointly	Head of Household Filers
1-child family	\$36,500	\$28,700
2-child family	\$41,500	\$33,700
3-child family	\$46,500	\$38,700
4-child family	\$51,500	\$45,800

Source: Columbia Center on Poverty and Social Policy, 2025

#### Quick Fact

When filing their 2025 taxes, a married couple with three children earning \$25,000 a year will receive just \$3,375 from the CTC, while the same family earning \$400,000 a year will receive a CTC of \$6,600.

### Do I need to file taxes to get the CTC?

Yes. Filing a federal tax return allows you to claim the CTC. Even if you do not owe any taxes, filing a return may help you get some money back.

You can file your 2025 taxes starting on January 26, 2026 up through “Tax Day” on April 15, 2026. If you owe taxes, you may be charged a penalty if you file after April 15. If the IRS owes you a tax refund, you can file after April 15 and still receive your refund.

After you file your taxes, the IRS will deliver your refund via direct deposit to your bank account or another secure electronic method if possible. The IRS is [phasing out paper refund checks](#). According to the IRS, families who file their taxes electronically typically get their refund in less than 21 days. It can take significantly longer to receive your refund if you file a paper return.

If you need help filing your taxes, you may qualify for free help!

- Check out [GetYourRefund](#), an IRS-approved service that provides free online tax filing assistance for individuals who qualify. Spanish version available [here](#).
- You can also find free tax filing assistance at a community organization near you through the IRS’s [Volunteer Income Tax Assistance \(VITA\)](#) program.

### But I remember getting monthly CTC payments automatically a few years ago. What happened to that?

During the COVID-19 pandemic, Congress increased the CTC temporarily and delivered payments monthly. Here’s how it worked:

- For six months in 2021, families received \$300 per month for each child ages 0-5, and \$250 per month for each child ages 6-17.

- Many families received these payments automatically if they had filed a tax return in the previous two years.
- Families received additional money from the CTC when they filed their 2021 taxes.
- Families with low incomes or no income received the full CTC for each of their children, because the CTC income requirements were temporarily eliminated.

Unfortunately, this temporary expansion ended in 2022, and the credit went back to its original structure. Congress recently passed new rules for the CTC in 2025, and this FAQ reflects those recent changes.

### How did Congress change the CTC in 2025?

In July 2025, Congress passed a law that made the following changes to the CTC. The new law:

- Increased the maximum credit from \$2,000 to \$2,200 per child.
- Indexed the maximum credit to inflation, so that it will continue to increase as prices rise.
- Added a new requirement that at least one parent have a Social Security Number (SSN) to claim the CTC on behalf of their children. This new requirement excludes up to [2.6 million U.S. citizen](#) children with a SSN from the CTC, in addition to the approximately 1 million children who were already excluded under prior law because they do not have SSNs themselves.

These changes were effective in 2025, so families will see those changes when they file their taxes this year (2026). This FAQ reflects those changes.

### Does my state also have a CTC?

More states are creating their own Child Tax Credits in addition to the federal CTC to help families with the cost of raising children. In 2025, the following states have a state child tax credit:

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|-----------------|--------------|
| • Arizona       | • New Jersey |
| • California    | • New Mexico |
| • Colorado      | • New York   |
| • Idaho         | • Oklahoma   |
| • Maine         | • Oregon     |
| • Maryland      | • Utah       |
| • Massachusetts | • Vermont    |
| • Minnesota     |              |

**\*NOTE:** The rules about who can claim a state CTC and how much they qualify for differ significantly across these states. For families whose state CTC exceeds the state taxes they owe, they can receive the remainder as a refund in all of the states above except for Arizona, Idaho, Oklahoma, and Utah.

[Additional states](#) such as Georgia are expected to have child tax credits starting in 2026, which can be claimed when filing taxes in 2027. Idaho's child tax credit ends after 2025, so families can claim it when they file taxes in 2026, but it will no longer be available to families filing their taxes in 2027 unless state lawmakers take action.

## What about the Earned Income Tax Credit (EITC) and other tax credits?

There are other tax credits that can provide important support for families with children, like the Earned Income Tax Credit (EITC) and the Child and Dependent Care Credit (CDCTC). States may also have similar credits. To learn more, check out these resources:

- [What is the Earned Income Tax Credit \(EITC\)? - Get It Back](#)
- [Child and Dependent Care Credit - Get It Back](#)

## How can the CTC better support children and families in the future?

We know the CTC can provide even more meaningful assistance to families because we have seen it work before. When Congress temporarily expanded the CTC during the COVID-19 pandemic, it brought child poverty to its lowest levels on record and helped parents keep up with the bills and invest time and money in their children.

Here are some principles for how the CTC can better support families moving forward, developed by parents and caregivers who lead a national coalition working to advance a child allowance, the [Automatic Benefit for Children \(ABC\) Coalition](#).

- **The Child Tax Credit (CTC) should be available to all children.** Children in families with low or no income should receive the full credit, and the CTC should be fully available to all children in immigrant families.
- **The CTC should be increased to help with the rising costs of raising children.** The CTC should be increased to at least \$500 per month per child, or \$6,000 per year, and the maximum credit should continue to be adjusted for inflation to keep up with the cost of living.
- **The CTC should be available via monthly payments.** Families should be able to receive monthly payments to help with everyday expenses, and the IRS should be funded with adequate resources to ensure smooth delivery of the CTC and provide additional support to families facing barriers to access.

## Where can I learn more?

The Automatic Benefit for Children (ABC) Coalition is working to improve the Child Tax Credit so that it actually reaches the families who need it most. To learn more about what we are fighting for, you can read the following from our coalition.

- [Child Tax Credit Priorities](#) (ABC Coalition)
- [The Child Tax Credit: Where We Are, Where Families Think We Should Go](#) (Center for the Study of Social Policy)

For more technical information about how the CTC works, here are some resources to check out:

- [Children Left Behind by the H.R.1 “One Big Beautiful Bill Act” Child Tax Credit](#) (Center on Poverty and Social Policy at Columbia University)
- [State Child Tax Credits Boosted Financial Security for Families and Children in 2025](#) (Institute on Taxation and Economic Policy)
- [What is the child tax credit?](#) (Tax Policy Center)

## APPENDIX: ELIGIBILITY FOR THE CHILD TAX CREDIT

Because the rules about who can claim the CTC are complicated, we have more detailed information below.

To receive the CTC as a tax refund, you must have earnings over \$2,500, a Social Security Number, and a “qualifying child.” If you are married and filing a joint return, only one spouse needs an SSN.

### Who is considered a “qualifying child” for the CTC?

A child is generally considered a “qualifying child” for purposes of the CTC if they:

- Lived with you for more than half the year,
- Were under age 17 at the end of the year, and
- Have a Social Security number.

The child must also have a certain relationship to you. A qualifying child can be a:

- adoptive or biological child,
- step-child,
- eligible foster child,
- sibling,
- step-sibling,
- half-sibling,
- or a descendant of one of the above (i.e. grandchild, niece, nephew, etc).

### What if my child divides their time between two or more parents or caregivers?

Only one person can claim the CTC for a child in a given year. If the child spends more than half the year with one person, that person often claims the CTC, though divorced parents often alternate claiming the CTC.

For more information on specific situations, see the IRS Tax Tip, [Claiming a child as a dependent when parents are divorced, separated or live apart](#).

### What if I am a grandparent who is raising my grandchild?

As a grandparent or other relative raising a child, you can generally claim the CTC on behalf of the child as long as they live with you for more than half the year and otherwise meet the requirements above.

Many grandparents rely on Social Security as their sole source of income, however, and Social Security income does not count as earnings for the purposes of determining eligibility to receive the CTC as a tax refund. As a result, grandparents who rely on Social Security often do not receive the CTC on behalf of their grandchildren despite being sole caregivers.

## **Can children in immigrant families receive the CTC?**

Children in immigrant and mixed-status families may qualify for the CTC as long as:

- The child has a Social Security Number
- At least one parent has a Social Security Number

SSNs for parents and children must have work authorization. The majority of SSNs issued to noncitizens have work authorization.

If you have questions about how your data may be used by the federal government when you file your taxes, see this FAQ from the National Immigration Law Center and UnidosUS: [Data Privacy and Federal Taxes for Immigrant Taxpayers](#).