



ACH Network Rules Pandemic-Related Frequently Asked Questions

Advance Child Tax Credit Payments

September 24, 2021

Nacha has developed the following FAQs based on information it has provided, information it has learned, and inquiries posed to Nacha by industry participants.

1. What are Advance Child Tax Credit payments?

The American Rescue Plan Act of 2021 expanded the Child Tax Credit to help many families get advance payments of the credit starting in the summer of 2021. The IRS will pay half the total credit amount to eligible families in advance monthly payments. Filers will need to claim the other half of the credit when they file their 2021 income tax return. The change to the Child Tax Credit is for the tax year 2021 only.

For information on eligibility and payment amounts, please see here: <https://www.irs.gov/credits-deductions/2021-child-tax-credit-and-advance-child-tax-credit-payments-frequently-asked-questions>

2. When will the Advance Child Tax Credit payments be paid?

Advance Child Tax Credit (ACTC) payments began a settlement date of July 15, 2021 and payments will continue to settle on the 15th of the month through December 15, 2021. If the 15th falls on a weekend or holiday, the Treasury will adjust the settlement date to the preceding business day.

3. What is the best way to check on the issuance of an ACTC payment?

People that are eligible and expecting to receive ACTS payments can visit the Child Tax Credit Update Portal here: <https://www.irs.gov/credits-deductions/child-tax-credit-update-portal>.

On the portal, people can check their enrollment, view their payments, and update their bank account information and mailing address.

4. How will ACTC payments be identified?

ACTC payments made via ACH Direct Deposit will be identified with the following information:

Company Name: "IRS TREAS 310"

Company Entry Description: "~~CHILDCTC"

(Note: the ~ symbol indicates a blank space.)

Other identifying information (ODFI Routing Numbers and Company Identifications) have been provided by the U.S. Treasury's Bureau of the Fiscal Service.

5. Can an RDFI send a Notification of Change (NOC) to correct account information for an ACTC payment?

The Bureau of the Fiscal Service has indicated that it will accept NOCs for ACTC payments through December 16, 2021, after the issuance of the last round of ACTC payments. Please see Chapters 2 and 6 of the Green Book for information about Federal Government NOC processing. You can see the Green Book here: <https://fiscal.treasury.gov/reference-guidance/green-book/>

6. How many ACTC payments have been made?

In September, the IRS distributed approximately 36 million ACTC payments. Of that total, about 87% were made via ACH.