

## Child Tax Rebate

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### Issue

Provide an overview of the child tax rebate enacted in this year's budget act ([PA 22-118](#), § 411).

### Child Tax Rebate Overview

The child tax rebate is a one-time rebate of up to \$750 (\$250 per child, up to three children). It is a rebate of taxes paid in 2021; it is not a credit that can be claimed on an income tax return.

### *Eligibility*

To be eligible for a rebate, a taxpayer must (1) be domiciled in Connecticut when applying for the rebate, (2) have validly claimed at least one dependent age 18 or under on his or her 2021 tax return, and (3) have income that falls below applicable thresholds. (Generally, a taxpayer is considered domiciled in Connecticut if the taxpayer considers Connecticut his or her permanent home and the place the he or she returns to after being away.)

### *Income Thresholds and Rebate Phase Out*

Taxpayers are eligible for the full rebate if their federal adjusted gross income (AGI) for the 2021 tax year is at or below certain thresholds, which vary by filing status. For taxpayers with income exceeding these thresholds, the rebate phases out at a rate of 10% for every \$1,000, or fraction of \$1,000, of AGI exceeding the threshold. Table 1 indicates the income thresholds at which taxpayers are (1) eligible for the full rebate and (2) not eligible for the rebate.

**Table 1: Income Thresholds for Child Tax Rebate**

Filing Status	Maximum Rebate	No Rebate
	Federal AGI ≤	Federal AGI >
Single or Married Filing Separately	\$100,000	\$110,000
Head of Household	\$160,000	\$170,000
Joint Filers or Surviving Spouse	\$200,000	\$210,000

Rebate eligibility must be determined without regard to any amount of earned income tax credit the taxpayer received.

### ***Application***

To receive a rebate, taxpayers must apply electronically to the Department of Revenue Services (DRS) by July 31, 2022. The [application form](#) is available on DRS's website. Taxpayers need information from their 2021 federal tax return to complete the application.

Taxpayers who apply after the deadline will not receive a rebate, and the rebate cannot be claimed on future tax returns. According to DRS, it anticipates distributing rebates in late August 2022.

### ***More Information***

For more information, including a detailed Q&A, see DRS's [child tax rebate](#) webpage.

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