

## Part III

### Administrative, Procedural, and Miscellaneous

26 CFR 1.6012-1: Individuals required to make returns of income.

Rev. Proc. 2022-12

#### SECTION 1. PURPOSE

.01 This revenue procedure provides procedures for individuals who are not otherwise required to file Federal income tax returns for taxable year 2021 to claim the child tax credit under § 24, to claim the 2021 recovery rebate credit under § 6428B, and to claim the earned income credit under § 32.<sup>1</sup> Section 2 of this revenue procedure describes these Federal income tax benefits in further detail. Section 3 of this revenue procedure describes the scope of the procedures provided in this revenue procedure.

.02 Section 4 of this revenue procedure provides an electronic filing procedure for individuals who (i) are not required to file a Federal income tax return for taxable year

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<sup>1</sup> Unless otherwise specified, all “section” or “§” references are to sections of the Internal Revenue Code (Code).

2021 and (ii) had zero adjusted gross income (AGI) for taxable year 2021. These individuals generally are not able to file Federal income tax returns electronically due to certain tax return preparation software and return processing parameters. Because Federal income tax returns filed on paper do not pose this processing issue, section 4 of this revenue procedure does not apply to a Federal income tax return filed on paper, although the procedures provided by section 5 and section 6 of this revenue procedure do apply to paper-filed returns.

.03 Section 5 of this revenue procedure provides a simplified Federal income tax return filing procedure for individuals who (i) are not required to file a Federal income tax return for taxable year 2021, (ii) had gross income that was less than their applicable standard deduction amount for taxable year 2021, and (iii) are not eligible for the earned income credit for taxable year 2021 (for example, because they did not have earned income during taxable year 2021 for purposes of the earned income credit) or do not want to claim the credit.

.04 Section 6 of this revenue procedure provides a simplified Federal income tax return filing procedure for individuals who (i) are not required to file a Federal income tax return for taxable year 2021, (ii) had gross income that was less than their applicable standard deduction amount for taxable year 2021, and (iii) had earned income during taxable year 2021 for purposes of the earned income credit.

## SECTION 2. BACKGROUND

### .01 Child Tax Credit for Taxable Year 2021.

(1) Overview. Section 9611(a), (b)(1), and (b)(2) of the American Rescue Plan Act of 2021 (American Rescue Plan), Public Law 117-2, 135 Stat. 4, 144-149 (March

11, 2021), added §§ 24(i), 24(j), and 7527A to the Code. Section 24(i) modifies the child tax credit rules set forth in § 24 for any taxable year beginning after December 31, 2020, and before January 1, 2022 (taxable year 2021).

(2) Credit allowed. Under § 24(a), a taxpayer may claim a child tax credit against the taxpayer's Federal income tax (as imposed by chapter 1 of subtitle A of the Code) for the taxable year with respect to each CTC qualifying child (as defined in section 2.01(5) of this revenue procedure) of the taxpayer.

(3) Credit fully refundable. The child tax credit for taxable year 2021 is fully refundable for a taxpayer if the taxpayer (or spouse, if filing a joint return) has a principal place of abode in the United States (determined as provided in § 32) for more than one-half of taxable year 2021. See § 24(i)(1). Full refundability means that taxpayers can benefit from the maximum amount of the credit even if they do not have earned income or do not owe any Federal income tax for taxable year 2021.

(4) Credit amounts. Taxpayers claiming the child tax credit for taxable year 2021 may receive up to \$3,000 for each CTC qualifying child who is between the ages of 6 and 17 as of the end of taxable year 2021 and \$3,600 for each CTC qualifying child who is under the age of 6 as of the end of taxable year 2021. See § 24(i)(2) and (3).

(5) CTC qualifying child. A "CTC qualifying child" is a qualifying child of the taxpayer (as defined in § 152(c)) who has not attained age of 18 at the close of taxable year 2021. See § 24(i)(2)(A). No child tax credit is allowed for a qualifying child unless the social security number (SSN) of the child, which must be valid for employment and be issued by the Social Security Administration before the due date of the taxpayer's taxable year Federal income tax return (including extensions), is provided

on the return. See § 24(h)(7). If the taxpayer's child was a U.S. citizen when the child received the SSN, the SSN is valid for employment.

(6) Nonresident aliens. Only certain nonresident aliens who are U.S. nationals; residents of Canada, Mexico, or South Korea; or students and business apprentices from India who qualify for benefits under Article 21(2) of the income tax treaty with India may claim the child tax credit or credit for other dependents (described in section 2.03 of this revenue procedure).

(7) Reconciliation requirement regarding credit and advance payments.

(a) Overview of reconciliation requirement. Taxpayers who received advance child tax credit payments (described in section 2.02(1) of this revenue procedure) during calendar year 2021 must reduce (but not below zero) the amount of the child tax credit claimed for taxable year 2021 by the total amount of those advance child tax credit payments. See § 24(j)(1). If the amount of a taxpayer's advance child tax credit payments received in calendar year 2021 exceeds the taxpayer's allowable child tax credit for taxable year 2021, the taxpayer's Federal income tax imposed for taxable year 2021 will be increased by the excess. See § 24(j)(2)(A).

(b) Safe harbor based on modified AGI. The amount by which a taxpayer's Federal income tax for taxable year 2021 is increased by operation of § 24(j)(2)(A) may be reduced or eliminated if the taxpayer qualifies for the statutory safe harbor set forth in § 24(j)(2)(B). Under § 24(j)(2)(B), a taxpayer's increase in tax is reduced by the "safe harbor amount." The safe harbor amount is equal to a maximum of \$2,000 multiplied by the difference in the number of CTC qualifying children the Internal Revenue Service (IRS) included when estimating the taxpayer's advance child tax credit

payments disbursed in calendar year 2021 and the number of CTC qualifying children properly taken into account in determining the allowed child tax credit amount (excess qualifying child). See § 24(j)(2)(B)(iv). The safe harbor amount reduces to zero as a taxpayer's modified AGI exceeds certain income thresholds. See § 24(j)(2)(B)(ii). Because the income thresholds of this revenue procedure are lower than those of the safe harbor, an individual within the scope of this revenue procedure will qualify for the full safe harbor and will not have to repay any increase in tax if the increase in tax is attributable to the individual's excess qualifying children. The increase in tax will be attributable to the individual's excess qualifying children if the individual's main home was in the United States for more than half of taxable year 2021.

.02 Advance Child Tax Credit Payments for Calendar Year 2021.

(1) In general. Section 7527A(a) requires the Secretary of the Treasury or her delegate (Secretary) to establish a program for making periodic advance child tax credit payments to taxpayers the total of which, during any calendar year, equals the "annual advance amount" (as defined in § 7527A(b)(1)) determined with respect to that taxpayer for that calendar year. These advance child tax credit payments were required to be made between July 1, 2021, and December 31, 2021, and generally were disbursed in equal amounts. See §§ 7527A(a), (b)(3), and (f).

(2) Definition of annual advance amount. Section 7527A(b)(1) defines the term "annual advance amount" to mean, with respect to any taxpayer for any calendar year, the amount (if any) that the Secretary estimates as being equal to 50 percent of the refundable child tax credit amount that would be treated as allowed by reason of § 24(i)(1) for the taxpayer's taxable year beginning in that calendar year if:

(a) The U.S. principal place of abode status is determined with respect to the “reference taxable year,” as defined in § 7527A(b)(2);

(b) The taxpayer’s modified AGI for that taxable year is equal to the taxpayer’s modified AGI for the reference taxable year;

(c) The only children of the taxpayer for that taxable year are qualifying children properly claimed on the taxpayer’s return of tax for the reference taxable year; and

(d) The ages of those children (and the status of those children as CTC qualifying children) are determined for that taxable year by taking into account the passage of time since the reference taxable year.

.03 Credit for Other Dependents. For a taxable year beginning after December 31, 2017, and before January 1, 2026, a \$500 credit may be available for a dependent of the taxpayer (within the meaning of § 152) who is not a CTC qualifying child or who is a CTC qualifying child but does not have an SSN valid for employment. See § 24(h)(4). The credit for other dependents is not addressed by this revenue procedure because the credit cannot be claimed unless income tax is owed and therefore is not applicable to individuals within the scope of this revenue procedure.

.04 Earned Income Credit.

(1) Overview. The earned income credit is a refundable credit that low- to moderate-income individuals and families may claim. Section 32(a) provides that, in the case of an eligible individual, there is allowed as a credit against the tax imposed by subtitle A of the Code for the taxable year an amount equal to the credit percentage of so much of the taxpayer’s earned income for the taxable year as does not exceed the

earned income amount.

(2) Amount of credit.

(a) Maximum amounts. For taxable year 2021, the four maximum amounts of the earned income credit are the following:

(i) \$1,502, if the eligible individual does not have a “qualifying child,” as defined in § 32(c)(3) (EIC qualifying child), or if none of the eligible individual’s EIC qualifying children has a valid SSN;

(ii) \$3,618, if the eligible individual has one EIC qualifying child who has a valid SSN;

(iii) \$5,980, if the eligible individual has two EIC qualifying children who have valid SSNs; and

(iv) \$6,728, if the eligible individual has three or more EIC qualifying children who have valid SSNs.

(b) Factors for determining credit amount. The amount of the earned income credit that can be claimed by an eligible individual depends on the following factors:

(i) The individual’s “earned income amount,” which is the amount of earned income at or above which the maximum amount of the earned income credit is allowed.

(ii) The individual’s “applicable percentage,” which depends on the number of the individual’s EIC qualifying children, if any.

(iii) The individual’s applicable phaseout amount. With regard to that amount, each individual has a “threshold phaseout amount” and a “completed phaseout

amount,” both of which depend on the individual’s income and filing status. The “threshold phaseout amount” is the amount of AGI (or, if greater, earned income) above which the maximum amount of the credit begins to phase out. The “completed phaseout amount” is the amount of AGI (or, if greater, earned income) at or above which no credit is allowed. See generally § 32(a), (b), and (n). See also Rev. Proc. 2021-23, 2021-19 I.R.B. 1153.

(3) SSN requirement. To claim the earned income credit for taxable year 2021, the eligible individual (and spouse, if filing a joint return) must have a valid SSN issued by the Social Security Administration by the due date of the individual’s Federal income tax return (including extensions). The individual is not permitted to claim the earned income credit if the individual’s SSN is not valid for employment and was issued for purposes of receiving a federally funded benefit. See generally § 32(c)(1)(E) and (m).

(4) Eligibility.

(a) In general. Individuals who are eligible to claim the earned income credit include individuals who have an EIC qualifying child for taxable year 2021, as well as individuals who do not have an EIC qualifying child but satisfy the three following eligibility conditions for taxable year 2021. See § 32(c)(1)(A). First, the individual has a principal place of abode in the United States (determined as provided in § 32) for more than one-half of taxable year 2021. See § 32(c)(1)(A)(ii)(I). Second, the individual (or spouse, if filing a joint return) has attained age 19 (except for specified students who are eligible to claim the earned income credit if they have attained age 24, and qualified homeless youth or qualified former foster youth who are eligible to claim the earned income credit if they have attained age 18). See § 32(c)(1)(A)(ii)(II) and (n).

Third, the individual is not a dependent for whom a deduction is allowable under § 151 to another taxpayer for taxable year 2021. See § 32(c)(1)(A)(ii)(III).

(b) Eligibility restrictions. An individual who elects for the taxable year to exclude foreign earned income and housing cost amount under § 911 is not an eligible individual for that taxable year. See § 32(c)(1)(C). In addition, an individual is not eligible for the earned income credit if he or she is a nonresident alien individual for any portion of taxable year 2021, unless the individual is treated as a resident of the United States for taxable year 2021 by reason of having made the election under § 6013(g) or § 6013(h). See § 32(c)(1)(D). Lastly, an individual who is the EIC qualifying child of a taxpayer for taxable year 2021 is not eligible to claim the earned income credit for taxable year 2021. See § 32(c)(1)(B).

#### .05 2021 Recovery Rebate Credit and Third-Round Economic Impact Payments.

(1) 2021 recovery rebate credit. Section 9601(a) of the American Rescue Plan added § 6428B to the Code. Section 6428B(a) provides an eligible individual a refundable tax credit against the eligible individual's Federal income tax liability (as imposed by subtitle A of the Code) for the eligible individual's taxable year 2021 (2021 recovery rebate credit).

(a) Definition of eligible individual. Section 6428B(c) defines the term "eligible individual" for purposes of § 6428B to mean any individual other than (i) a nonresident alien individual, (ii) an individual who is a dependent of another taxpayer (as defined in § 152) for the taxable year, or (iii) an estate or trust.

(b) Amount of 2021 recovery rebate credit.

(i) In general. Section 6428B(a) provides that the amount of the 2021

recovery rebate credit equals the sum of (i) \$1,400 per eligible individual (\$2,800 in the case of a joint return) and (ii) an amount equal to the product of \$1,400 multiplied by the number of the eligible individual's dependents (within the meaning of § 152).

(ii) Reductions in amount due to lack of SSN. If an eligible individual does not have an SSN, or if two eligible individuals who do not have an SSN file a joint return, § 6428B(e)(2) does not allow the \$1,400 amount for the eligible individual or the \$2,800 amount for the joint return, but will allow an amount for dependents (as defined in § 152) with certain taxpayer identification numbers. Section 6428B(e)(2) reduces the \$2,800 amount for a joint return to \$1,400 if one spouse has an SSN, one spouse does not have an SSN, and neither spouse was a member of the Armed Forces of the United States at any time during the taxable year. Only a dependent with an SSN or an IRS adoption taxpayer identification number (ATIN) is counted for purposes of determining the amount of the 2021 recovery rebate credit. See § 6428B(e)(2)(C) and (D). For purposes of qualifying for the 2021 recovery rebate credit, any type of SSN is sufficient if it was issued by the Social Security Administration by the due date of the eligible individual's 2021 Federal income tax return (including extensions). See § 6428B(e)(2)(D)(i).

(iii) Reduction in amount due to AGI. Section 6428B(d) provides phaseouts of the credit amount based on an eligible individual's AGI.

(iv) Reduction in amount due to receipt of advance payments. Section 6428B(f) reduces the 2021 recovery rebate credit amount that an eligible individual may claim by the aggregate refunds allowed to the eligible individual as an advance refund in calendar year 2021 (that is, through the receipt of one or more third-

round economic impact payments).

(2) Economic impact payments. Section 6428B(g) addresses the payment of advanced refunds and credits during calendar year 2021. It authorized a third round of economic impact payments which followed two earlier rounds of advance refunds and credits for taxable year 2020. See §§ 6428(f) (regarding the first round of economic impact payments), 6428A(f) (regarding the second round of economic impact payments). All third-round economic impact payments under § 6428B(g) have been disbursed.

.06 Revenue Procedure 2021-24. Rev. Proc. 2021-24, 2021-29 I.R.B. 19, provided two procedures for individuals not otherwise required to file 2020 Federal income tax returns to file returns to receive certain tax benefits. The first procedure, set forth in section 4 of Rev. Proc. 2021-24, permitted these individuals to file simplified returns to (i) receive advance child tax credit payments during calendar year 2021, (ii) claim the 2020 recovery rebate credit, (iii) claim the additional 2020 recovery rebate credit, and (iv) receive the third-round economic impact payment. The second procedure, set forth in section 5 of Rev. Proc. 2021-24, enabled these individuals who have zero AGI to file complete returns electronically to receive (i) advance child tax credit payments during calendar year 2021 and (ii) the third-round economic impact payment.

### SECTION 3. SCOPE

.01 Overview. This revenue procedure allows individuals who are not required to file a Federal income tax return for taxable year 2021 to provide information to the IRS to claim the child tax credit, the 2021 recovery rebate credit, and the earned income

credit, as well as for other purposes. Section 4 of this revenue procedure allows individuals described in that section to provide this information through an electronically filed return. The procedures set forth in section 5 and section 6 of this revenue procedure allow the individuals described in those sections to provide this information in the form of a simplified return, whether filed on paper or electronically.

.02 Purposes of Zero AGI Filing Procedure under Section 4. The Department of the Treasury and the IRS are aware that individuals otherwise not required to file Federal income tax returns for taxable year 2021 may want to file Federal income tax returns electronically. These individuals may use tax return preparation software that does not permit them to file pursuant to a simplified procedure provided by section 5 or section 6 of this revenue procedure, or the individuals may need to file complete Federal income tax returns to receive certain State or local benefits. Many Federal income tax returns, however, cannot be filed electronically if the filer reports an AGI of zero (as opposed to an AGI of \$1 or more) and does not claim the 2021 recovery rebate credit, the child tax credit, or any amount as a refund. To facilitate the processing of electronic returns filed by individuals with zero AGI who are not otherwise required to file Federal income tax returns, section 4 of this revenue procedure provides a procedure for these individuals to file complete electronic Federal income tax returns.

.03 Purpose of Simplified Filing Procedure under Section 5. Section 5 of this revenue procedure provides a simplified filing procedure that permits individuals who are not required to file a Federal income tax return for taxable year 2021 to receive certain Federal income tax benefits. Specifically, individuals who file a Federal income tax return for taxable year 2021 in accordance with section 5 of this revenue procedure

may provide necessary information to claim (i) the child tax credit for taxable year 2021 and (ii) the 2021 recovery rebate credit.

.04 Purpose of Simplified Filing Procedure under Section 6. Section 6 of this revenue procedure provides a simplified filing procedure that permits individuals who are not required to file a Federal income tax return for taxable year 2021, but who earned income during 2021 and are eligible to claim the earned income credit, to receive certain Federal income tax benefits. Specifically, eligible individuals who file a Federal income tax return for taxable year 2021 in accordance with section 6 of this revenue procedure may provide necessary information to claim (i) the earned income credit for taxable year 2021, (ii) the child tax credit for taxable year 2021, and (iii) the 2021 recovery rebate credit. This procedure also permits individuals to claim a refund of withheld Federal income tax for taxable year 2021.

.05 U.S. Territory Residents Not Eligible. The procedures provided by this revenue procedure do not apply to a resident of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico (Puerto Rico), or the U.S. Virgin Islands (each, a U.S. territory). A resident of a U.S. territory should contact their local territory tax agency for additional information about the earned income credit, the child tax credit, and the 2021 recovery rebate credit. However, a resident of Puerto Rico should refer to Form 1040-PR, *Planilla para la Declaración de la Contribución Federal sobre el Trabajo por Cuenta Propia*, or Form 1040-SS, *U.S. Self-Employment Tax Return*, and their instructions, to claim the child tax credit for taxable year 2021.

.06 Individuals Who Are Required to File a 2021 Federal Income Tax Return Not

Eligible. The procedures provided by this revenue procedure do not apply to individuals who are required to file Federal income tax returns for taxable year 2021 (for example, individuals reconciling advance payment of the premium tax credit under § 36B).

.07 Individuals Who Previously Filed a 2021 Federal Income Tax Return Not

Eligible. The procedures provided by this revenue procedure do not apply to individuals who already filed a paper or electronic Federal income tax return for taxable year 2021. Such individuals do not need to file any additional forms or otherwise contact the IRS to claim (i) the earned income credit for themselves and each EIC qualifying child, (ii) the child tax credit for each CTC qualifying child, or (iii) a 2021 recovery rebate credit for themselves and each eligible dependent (as defined in § 152), if those credits were claimed on the previously filed return for taxable year 2021.

SECTION 4. SPECIAL PROCEDURE FOR ZERO AGI FILERS

.01 Federal Income Tax Return Filed Electronically.

(1) Electronic filing procedure. Subject to section 4.01(2) of this revenue procedure, under the requirements in this section 4, a zero AGI filer may file electronically Form 1040, *U.S. Individual Income Tax Return*, Form 1040-SR, *U.S. Tax Return for Seniors*, or Form 1040-NR, *U.S. Nonresident Alien Income Tax Return*, for taxable year 2021.

(2) Procedure does not apply to paper returns. The special procedure in this section 4 applies only to an electronically filed return for a zero AGI filer and does not apply to a return filed on paper.

.02 Definition of Zero AGI Filer. For purposes of this section 4, a “zero AGI filer” is

an individual--

(1) Who is not required to file a Federal income tax return for taxable year 2021;

(2) Who has gross income for taxable year 2021 that is less than their applicable standard deduction amount;

(3) Who has zero AGI for taxable year 2021 (that is, the individual has zero AGI for taxable year 2021 reportable on line 11 of Form 1040, Form 1040-SR, or Form 1040-NR);

(4) Who has not already filed a Federal income tax return for taxable year 2021;

(5) Who—

(a) has a principal place of abode in the United States (determined as provided in § 32) for more than one-half of taxable year 2021, or

(b) files a joint return with an individual who satisfies the requirement described in section 4.02(5)(a) of this revenue procedure; and

(6) Who is not a resident of a U.S. territory.

.03 Required Information. In addition to all other information required to be entered on Form 1040, Form 1040-SR, or Form 1040-NR, a zero AGI filer must enter the following:

(1) \$1 as taxable interest on line 2b of the form;

(2) \$1 as total income on line 9 of the form; and

(3) \$1 as AGI on line 11 of the form.

.04 Signature. A zero AGI filer must sign the return under penalties of perjury, including the filer's identity protection personal identification number (that is, the filer's IP PIN), if applicable, as part of the filer's signature. In addition, a zero AGI filer may

enter the identifying information of any third-party designee, if applicable, at the bottom of page 2 of Form 1040, Form 1040-SR, or Form 1040-NR. A zero AGI filer who has been assigned an IP PIN, but has misplaced it, may retrieve the IP PIN at

<https://www.irs.gov/identity-theft-fraud-scams/retrieve-your-ip-pin>.

.05 Accuracy of Return. Individuals who report incorrect information regarding qualifying children or other dependents or otherwise provide incorrect information on their returns may be liable for civil or criminal penalties. However, the IRS will not challenge the accuracy of the items of income reported on a return that an individual files in accordance with this section 4 if the individual is eligible to use the procedure in this section 4 and the instructions in this section 4 direct that the items be so reported.

## SECTION 5. SPECIAL PROCEDURE FOR CTC/RRC FILERS

.01 Federal Income Tax Return Filed on Paper or Electronically. Under the simplified procedure set forth in this section 5, a simplified return may be filed, on paper or electronically, for taxable year 2021 on a Form 1040, Form 1040-SR, or Form 1040-NR. A Federal income tax return for taxable year 2021 filed under the simplified procedure in this section 5 will result in the following:

(1) The CTC/RRC filer may claim the child tax credit for taxable year 2021.

(2) The CTC/RRC filer may claim the 2021 recovery rebate credit for taxable year 2021. A nonresident alien is not eligible under § 6428B(c)(1) to claim the 2021 recovery rebate credit.

.02 Definition of CTC/RRC Filer. For purposes of this section 5, a “CTC/RRC filer” is an individual—

(1) Who is not required to file a Federal income tax return for taxable year 2021;

(2) Who has gross income for taxable year 2021 that is less than their applicable standard deduction amount;

(3) Who has not already filed a paper or electronic Federal income tax return for taxable year 2021;

(4) Who has an SSN or IRS individual taxpayer identification number (ITIN);

(5) Who--

(a) has a principal place of abode in the United States (determined as provided in § 32) for more than one-half of taxable year 2021, or

(b) files a joint return with an individual who satisfies the requirement described in section 5.02(5)(a) of this revenue procedure; and

(6) Who is not a resident of a U.S. territory.

### .03 Simplified Filing Method.

(1) Overview. In the case of a CTC/RRC filer, the IRS will process the filer's Form 1040, Form 1040-SR, or Form 1040-NR for taxable year 2021 to calculate the Federal income tax benefits described in section 5.01 of this revenue procedure if the form is prepared in the manner required by this section 5.03. The Form 1040, Form 1040-SR, or Form 1040-NR must include the information described in this section 5.03.

(2) Write Rev. Proc. 2022-12 on form. A CTC/RRC filer who files the Form 1040, Form 1040-SR, or Form 1040-NR on paper must indicate "Rev. Proc. 2022-12" above the printed material at the top of page 1.

(3) Required general information.

(a) Filing status. A CTC/RRC filer must select their filing status for taxable

year 2021 at the top of Form 1040, Form 1040-SR, or Form 1040-NR.

(b) Personal information. A CTC/RRC filer must enter their name, mailing address, and SSN or ITIN, and the name and SSN or ITIN of their spouse if filing a joint return, on the appropriate lines of Form 1040, Form 1040-SR, or Form 1040-NR.

(4) Individuals who could be claimed as dependents by other individuals. A CTC/RRC filer must check the applicable boxes in the top line of the “Standard Deduction” section of the Form 1040, Form 1040-SR, or Form 1040-NR for each individual who can be claimed as a dependent by any other individual for taxable year 2021.

(5) General information regarding dependents.

(a) In general. A CTC/RRC filer should complete the appropriate lines in the “Dependents” section of Form 1040, Form 1040-SR, or Form 1040-NR regarding each dependent for taxable year 2021 who has an SSN or an ATIN. For each individual claimed as a dependent, a CTC/RRC filer must provide the name, SSN or ATIN, and relationship to the individual.

(b) CTC qualifying children. A CTC/RRC filer should check the child tax credit box in Column (4) of the “Dependents” section for each dependent who is a CTC qualifying child for taxable year 2021 who has an SSN that is valid for employment.

(6) Limited information to provide in lines 1 through 38. A CTC/RRC filer must leave blank lines 1 through 38 of Form 1040, Form 1040-SR, or Form 1040-NR even if the values for these lines are in fact not zero, except as provided in this section 5.03(6):

(a) Line 12 (standard deduction or itemized deductions). A CTC/RRC filer must enter the applicable standard deduction amount for their filing status on line 12a

(standard deduction or itemized deductions) and line 12c (sum of lines 12a and 12b).

The filer must leave line 12b blank.

(b) Line 14 (sum of lines 12c and 13). A CTC/RRC filer must enter the amount entered on line 12c.

(c) Line 15 (taxable income). A CTC/RRC filer must enter \$0 on line 15.

(d) Line 28 (2021 child tax credit entry). A CTC/RRC filer may enter the amount of the filer's child tax credit for taxable year 2021 on line 28. The credit amount may be computed using Schedule 8812 (Form 1040), available at

<https://www.irs.gov/Schedule8812>, and information from the filer's Letter 6419 or the filer's IRS online account at <https://www.irs.gov/account>. The CTC/RRC filer claiming the child tax credit must attach the Schedule 8812 to the filer's Form 1040, Form 1040-SR, or Form 1040-NR. Providing the correct amount of the filer's child tax credit for taxable year 2021 will allow for faster processing of the return and issuance of any tax refund. The IRS will correct any incorrect amount claimed on line 28, but the correction will delay processing of the return and the issuance of any tax refund.

(e) Line 30 (2021 recovery rebate credit entry). A CTC/RRC filer may enter the amount of the filer's 2021 recovery rebate credit on line 30. The credit amount may be computed using the Recovery Rebate Credit Worksheet for line 30 in the 2021 Instructions for Form 1040 and Form 1040-SR, available at

<https://www.irs.gov/Form1040>, and information from the filer's Letter 6475 or the filer's IRS online account at <https://www.irs.gov/account>. Providing the correct amount of the filer's 2021 recovery rebate credit will allow for faster processing of the return and issuance of any tax refund. The IRS will correct any incorrect amount (other than \$0)

claimed on line 30, but the correction will delay processing of the return and the issuance of any tax refund.

(f) Lines 32 through 35a. A CTC/RRC filer must enter the sum of lines 28 and 30 on lines 32 through 35a.

(g) Line 35a checkbox (split direct deposit indicator). A CTC/RRC filer may not check the box on line 35a.

(h) Lines 35b through 35d (direct deposit information). A CTC/RRC filer may request the direct deposit of their taxable year 2021 tax refund into an account at a bank or other financial institution by entering the information on lines 35b through 35d. The CTC/RRC filer must not request their taxable year 2021 tax refund be deposited into an account that is not in the name of that filer (for example, a CTC/RRC filer must not request a direct deposit of their taxable year 2021 tax refund into their tax return preparer's account).

.04 Signature. A CTC/RRC filer must sign the return under penalties of perjury, including the filer's identity protection personal identification number (that is, the filer's IP PIN), if applicable, as part of the filer's signature. In addition, the CTC/RRC filer may enter the identifying information of any third-party designee, if applicable, at the bottom of page 2 of Form 1040, Form 1040-SR, or Form 1040-NR. A CTC/RRC filer who has been assigned an IP PIN, but has misplaced it, may retrieve the IP PIN at <https://www.irs.gov/identity-theft-fraud-scams/retrieve-your-ip-pin>.

.05 Simplified Return Is a Federal Income Tax Return. A simplified return completed in accordance with the procedure described in section 5.03 of this revenue procedure is a taxable year 2021 Federal income tax return for all purposes, whether

filed on paper or electronically.

.06 Accuracy of Return. Individuals who report incorrect information regarding qualifying children or other dependents or otherwise provide incorrect information on simplified returns may be liable for civil or criminal penalties. However, the IRS will not challenge the omission of the items of income on a simplified return that an individual files in accordance with this section 5 if the individual is eligible to use the procedure in this section 5 and the instructions in this section 5 direct that the items be omitted.

## SECTION 6. SPECIAL PROCEDURE FOR EIC/CTC/RRC FILERS

.01 Federal Income Tax Return Filed on Paper or Electronically. Under the simplified procedure set forth in this section 6, a simplified return may be filed, on paper or electronically, on a Form 1040 or Form 1040-SR. A Federal income tax return for taxable year 2021 filed under the simplified procedure in this section 6 will result in the following:

(1) The EIC/CTC/RRC filer may claim the earned income credit for taxable year 2021.

(2) The EIC/CTC/RRC filer may claim the child tax credit for taxable year 2021.

(3) The EIC/CTC/RRC filer may claim the 2021 recovery rebate credit for taxable year 2021.

.02 Definition of EIC/CTC/RRC Filer. For purposes of this section 6, an “EIC/CTC/RRC filer” is an individual--

(1) Who is not required to file a Federal income tax return for taxable year 2021;

(2) Who has gross income for taxable year 2021 that is less than their applicable standard deduction amount;

(3) Who has earned income (as defined in § 32(c)(2)) for taxable year 2021, and has--

(a) no income other than such earned income required to be reported on line 1 of the Form 1040 or Form 1040-SR (Form W-2 earned income), or

(b) income in addition to Form W-2 earned income, but has gross income for taxable year 2021 that is less than their applicable earned income credit “threshold phaseout amount” (as provided in section 2.04(2)(b)(iii) of this revenue procedure);

(4) Who does not have an aggregate amount of disqualified income (as defined in § 32(i)(2)) in excess of \$10,000;

(5) Who has not already filed a paper or electronic Federal income tax return for taxable year 2021;

(6) Who has an SSN that is valid for the earned income credit, as described in section 2.04(3) of this revenue procedure;

(7) Who is a United States citizen or resident alien (or is treated as a United States resident alien in accordance with an election under § 6013(g) or (h));

(8) Who--

(a) has a principal place of abode in the United States (determined as provided in § 32) for more than one-half of taxable year 2021, or

(b) files a joint return with an individual who satisfies the requirement described in section 6.02(8)(a) of this revenue procedure; and

(9) Who is not a resident of a U.S. territory.

### .03 Simplified Filing Method.

(1) Overview. In the case of an EIC/CTC/RRC filer, the IRS will process the

filer's Form 1040 or Form 1040-SR for taxable year 2021 to calculate the Federal income tax benefits described in section 6.01 of this revenue procedure if the form is prepared in the manner required by this section 6.03. The Form 1040 or Form 1040-SR must include the information described in this section 6.03.

(2) Write Rev. Proc. 2022-12 on form. An EIC/CTC/RRC filer who files the Form 1040 or Form 1040-SR on paper must indicate "Rev. Proc. 2022-12" above the printed material at the top of page 1.

(3) Required general information.

(a) Filing status. An EIC/CTC/RRC filer must select their filing status for taxable year 2021 at the top of Form 1040 or Form 1040-SR.

(b) Personal information. An EIC/CTC/RRC filer must enter their name, mailing address, and SSN, and the name and SSN of their spouse if filing a joint return, on the appropriate lines of Form 1040 or Form 1040-SR.

(4) Individuals who could be claimed as dependents by other individuals. An EIC/CTC/RRC filer must check the applicable boxes in the top line of the "Standard Deduction" section of the Form 1040 or Form 1040-SR for each individual who can be claimed as a dependent by any other individual for taxable year 2021.

(5) General information regarding dependents.

(a) In general. An EIC/CTC/RRC filer should complete the appropriate lines in the "Dependents" section of Form 1040 or Form 1040-SR regarding each dependent for taxable year 2021 who has an SSN, ITIN, or an ATIN. For each individual claimed as a dependent, an EIC/CTC/RRC filer must provide the name, SSN, ITIN, or ATIN, and relationship to the individual.

(b) CTC qualifying children. An EIC/CTC/RRC filer should check the child tax credit box in Column (4) for each dependent who is a CTC qualifying child for taxable year 2021 who has an SSN that is valid for employment.

(6) Limited information to provide in lines 1 through 38. An EIC/CTC/RRC filer must complete lines 1 through 38 of Form 1040 or Form 1040-SR in accordance with this section 6.03(6). In each instance in which this section 6.03(6) requires the EIC/CTC/RRC filer to leave a line blank on Form 1040 or Form 1040-SR, such line must be left blank even if the value for such line is in fact not zero.

(a) Line 1 (wages, salaries, tips, etc.). An EIC/CTC/RRC filer must enter the total of the filer's total Form W-2 earned income for taxable year 2021.

(b) Lines 2 through 8. An EIC/CTC/RRC filer must leave lines 2a through 8 blank.

(c) Line 9 (total income). An EIC/CTC/RRC filer must enter the amount provided on line 1.

(d) Line 10. An EIC/CTC/RRC filer must leave line 10 blank.

(e) Line 11 (adjusted gross income). An EIC/CTC/RRC filer must enter the amount provided on line 1.

(f) Line 12 (standard deduction or itemized deductions). An EIC/CTC/RRC filer must enter the applicable standard deduction amount for their filing status on line 12a (standard deduction or itemized deductions) and line 12c (sum of lines 12a and 12b). The filer must leave line 12b blank.

(g) Line 13. An EIC/CTC/RRC filer must leave line 13 blank.

(h) Line 14 (sum of lines 12c and 13). An EIC/CTC/RRC filer must enter the

amount entered on line 12c.

(i) Line 15 (taxable income). An EIC/CTC/RRC filer must enter \$0.

(j) Lines 16 through 24. An EIC/CTC/RRC filer must leave lines 16 through 24 blank.

(k) Line 25 (federal tax withheld). An EIC/CTC/RRC filer may—but is not required to— enter the total of the amounts shown as Federal income tax withheld on each Form W-2 of the EIC/CTC/RRC filer on lines 25a and 25d. If the EIC/CTC/RRC filer does not enter the total amounts withheld, the filer must leave lines 25a and 25d blank. The EIC/CTC/RRC filer must leave lines 25b and 25c blank.

(l) Line 26. An EIC/CTC/RRC filer must leave line 26 blank.

(m) Line 27 (2021 earned income credit entries).

(i) Line 27a (2021 earned income credit entry). An EIC/CTC/RRC filer may enter the amount of the filer's earned income credit for taxable year 2021 on line 27a. A filer claiming the earned income credit who has one or more EIC qualifying children must complete and attach Schedule EIC, available at <https://www.irs.gov/ScheduleEIC>. A filer who was born after January 1, 1998, and before January 2, 2004, must check the box on line 27a if the filer satisfies all the additional requirements for taxpayers who are at least age 18 to claim the earned income credit. The credit amount should be computed using the earned income credit instructions for line 27a in the 2021 Instructions for Form 1040 and 1040-SR, available at <https://www.irs.gov/Form1040>.

(ii) Line 27b (nontaxable combat pay election). An EIC/CTC/RRC filer must enter all of the filer's nontaxable combat pay if the filer elects to include that pay in

the filer's earned income for purposes of the earned income credit.

(iii) Line 27c (prior year (2019) earned income). An EIC/CTC/RRC filer must leave line 27c blank because an EIT/CTC/RRC filer may not elect to use 2019 earned income to figure the 2021 earned income credit.

(n) Line 28 (2021 child tax credit entry). An EIC/CTC/RRC filer may enter the amount of the filer's child tax credit for taxable year 2021 on line 28. The credit amount may be computed using Schedule 8812 (Form 1040), available at <https://www.irs.gov/Schedule8812>, and information from the filer's Letter 6419 or the filer's IRS online account at <https://www.irs.gov/account>. The EIC/CTC/RRC filer claiming the child tax credit must attach the Schedule 8812 to the filer's Form 1040 or Form 1040-SR. Providing the correct amount of the filer's child tax credit for taxable year 2021 will allow for faster processing of the return and issuance of any tax refund. The IRS will correct any incorrect amount claimed on line 28, but the correction will delay processing of the return and the issuance of any tax refund.

(o) Line 29. An EIC/CTC/RRC filer must leave line 29 blank.

(p) Line 30 (2021 recovery rebate credit entry). An EIC/CTC/RRC filer may enter the amount of the filer's 2021 recovery rebate credit on line 30. The credit amount may be computed using the Recovery Rebate Credit Worksheet for line 30 in the 2021 Instructions for Form 1040 and 1040-SR, available at <https://www.irs.gov/Form1040>, and information from the filer's Letter 6475 or the filer's IRS online account at <https://www.irs.gov/account>. Providing the correct amount of the filer's 2021 recovery rebate credit will allow for faster processing of the return and issuance of any tax refund. The IRS will correct any incorrect amount (other than \$0)

claimed on line 30, but the correction will delay processing of the return.

(q) Line 31. An EIC/CTC/RRC filer must leave line 31 blank.

(r) Line 32 (total other payments and refundable credits). An EIC/CTC/RRC filer must enter the sum of lines 27a, 28, and 30 on line 32.

(s) Lines 33 through 35a. An EIC/CTC/RRC filer must enter the sum of lines 25d and 32 on lines 33 through 35a.

(t) Line 35a checkbox (split direct deposit indicator). An EIC/CTC/RRC filer may not check the box on line 35.

(u) Lines 35b through 35d (direct deposit information). An EIC/CTC/RRC filer may request the direct deposit of their taxable year 2021 tax refund into an account at a bank or other financial institution by entering the information on lines 35b through 35d. The EIC/CTC/RRC filer must not request their taxable year 2021 tax refund be deposited into an account that is not in the name of that filer (for example, an EIC/CTC/RRC filer must not request a direct deposit of their taxable year 2021 tax refund into their tax return preparer's account).

(v) Lines 36 through 38. An EIC/CTC/RRC filer must leave lines 36 through 38 blank.

.04 Signature. An EIC/CTC/RRC filer must sign the return under penalties of perjury, including the filer's identity protection personal identification number (that is, the filer's IP PIN), if applicable, as part of the filer's signature. In addition, the EIC/CTC/RRC filer may enter the identifying information of any third-party designee, if applicable, at the bottom of page 2 of Form 1040 or Form 1040-SR. An EIC/CTC/RRC filer who has been assigned an IP PIN, but has misplaced it, may retrieve the IP PIN at

<https://www.irs.gov/identity-theft-fraud-scams/retrieve-your-ip-pin>.

.05 Simplified Return Is a Federal Income Tax Return. A simplified return completed in accordance with the procedure described in section 6.03 of this revenue procedure is a taxable year 2021 Federal income tax return for all purposes, whether filed on paper or electronically.

.06 Assembly of Simplified Return. An EIC/CTC/RRC filer must attach all Forms W-2 to the filer's Form 1040 or Form 1040-SR (for a paper return) or input all the information listed on each Form W-2 in the appropriate manner (for an electronically filed return). If the EIC/CTC/RRC filer received a Form W-2c (a corrected Form W-2), the filer must attach all original Forms W-2 and any Forms W-2c.

.07 Accuracy of Return. Individuals who report incorrect information regarding qualifying children or other dependents or otherwise provide incorrect information on simplified returns may be liable for civil or criminal penalties. However, the IRS will not challenge the omission of the items of income on a simplified return that an individual files in accordance with this section 6 if the individual is eligible to use the procedure in this section 6 and the instructions in this section 6 direct that the items be omitted.

## SECTION 7. APPLICABILITY DATES

.01 Special Procedure for Zero AGI Filers. Section 4 of this revenue procedure applies to Federal income tax returns filed on or after [INSERT DATE RELEASED BY MEDIA RELATIONS].

.02 Special Procedures for CTC/RRC Filers and EIC/CTC/RRC Filers. Sections 5 and 6 of this revenue procedure apply to Federal income tax returns filed after April 18, 2022.

## SECTION 8. ADDITIONAL INFORMATION

### .01 2021 Recovery Rebate Credit; Third-Round Economic Impact Payments.

Individuals can obtain additional information regarding third-round economic impact payments and the 2021 recovery rebate credit through the IRS recovery rebate credit webpage at <https://www.irs.gov/rrc>.

.02 Child Tax Credit; Advance Child Tax Credit Payments. Individuals can obtain additional information regarding advance child tax credit payments and the child tax credit for taxable year 2021 through the IRS child tax credit and advance child tax credit payment webpage at <https://www.irs.gov/childtaxcredit2021>.

.03 Earned Income Credit. Individuals can obtain additional information regarding the earned income credit through the IRS earned income credit webpage at <https://www.irs.gov/eitc>.

.04 Completing a Federal Income Tax Return. Individuals can obtain additional information regarding how to complete their individual tax returns at <https://www.irs.gov/Form1040>.

## SECTION 9. DRAFTING INFORMATION

The principal author of this revenue procedure is the Office of the Associate Chief Counsel (Procedure and Administration).