

THE AMERICAN RESCUE PLAN FOR INDIVIDUALS AND FAMILIES IN CITIES

The American Rescue Plan (ARP) devotes about \$1 trillion toward building a bridge to economic recovery for families. All told, a single parent with one young child making the minimum wage could see her income increase from the equivalent of \$7.25 to around \$11 per hour. Individuals and families living in rural areas may be eligible for additional benefits.

To receive these benefits, individuals must act. Local leaders interested in fully activating the American Rescue Plan in their communities should consult our [Federal Investment Guide](#).

INCOME, TAXES AND REIMBURSEMENTS

- ✓ **Individual Checks:** The ARP provided one-time \$1,4000 checks to individuals who met income guidelines.
- ✓ **Unemployment Benefits and Tax Exemption:** The ARP extends the \$300 weekly boost in federal unemployment benefits through September 6, including for gig workers and those not in state unemployment systems. The plan also cuts taxes for the middle class. The first \$10,200 in unemployment benefits will be tax-free for households with annual incomes less than \$150,000.
- ✓ **COVID-19 Paid Sick and Family Leave:** The ARP encourages businesses with fewer than 500 employees to provide paid leave for employees who need it for COVID-related health reasons.
- ✓ **Earned Income Tax Credit:** The ARP raises the maximum EITC benefit for adults without children from \$543 to \$1,502 per year and raises the income eligibility cap to \$21,000. It also lowers the eligibility age for those who are not students from 25 to 19.
- ✓ **Funeral Assistance:** Available through FEMA to cover the cost of funeral expenses incurred after January 20, 2020 for those who died of COVID-19.

! ACTION REQUIRED

- File taxes by **May 17, 2021** to receive the tax cuts for families and individuals
- Learn more about how to file for unemployment insurance at the [U.S. Department of Labor's resource page](#).
- Sign up [here](#) for an update when the Department of Treasury announces more information on how new tax credits will work.
- Find out if **your company is eligible** and ask your employer about COVID-related paid leave benefits.
- Contact [FEMA's funeral assistance hotline](#) for information on how to apply.

SENIORS AND DISABLED

- ✓ The ARP expands funding for home and community-based services for seniors and those with disabilities who are currently on Medicaid. Those currently on wait lists may soon become eligible.
- ✓ The ARP boosts funding for programs providing free groceries and home-delivered meals for low-income seniors. Check with your local food bank for eligibility.

VETERANS

- ✓ The ARP created a new Veteran's Rapid Retraining Assistance Program (VRRAP), offering eligible veterans up to 12 months of free tuition and fees for education programs in high-demand occupations. Find out if you're eligible on the [VA website](#).
- ✓ Veterans are eligible for debt relief for health costs incurred due to COVID-19 and paid leave for COVID-related health needs. More information is [available here](#).



FOOD, HOUSING AND SHELTER

- ✓ **Housing and Utilities:** The ARP provides emergency aid to renters to cover up to 12 months of unpaid rent and offers coverage of unpaid heating and water bills. It also provides assistance to struggling homeowners who are behind on their mortgage payments and utility costs.
- ✓ **Food Security:** The ARP will increase SNAP (food stamp) benefits by 15% through September 2021. The ARP also increases funding for the WIC program and funds partnerships with restaurants to feed American families and keep workers in the restaurant industry on the job. It also extends cash benefits for students eligible for free or reduced school lunches through the end of summer 2021.
- ✓ **Emergency Shelter:** The ARP provides additional funding to cities and states to support families and individuals who are recovering from or at risk of homelessness.

! ACTION REQUIRED

- Most housing, food, and utility aid is run through state departments of housing or human services. Check your state websites for updates and application forms.
- Reach out to your local housing agency about applying for emergency rental relief.
- If you are homeless or at-risk of homelessness, reach out to a housing counseling agency or a social services office to connect with support.
- Student meal benefits are distributed through your child's school.

HEALTHCARE

- ✓ **Health Insurance After Job Loss (COBRA):** The federal government will cover the cost of health insurance for those who lose their jobs or have their hours reduced for up to six months through September 30.
- ✓ **Affordable Health Insurance Plans:** The ARP increases available subsidies on health insurance plans purchased through the ACA marketplace for up to two years, increasing the family income cap and boosting benefits for those with the lowest incomes.
- ✓ **Health Care Tax Credit:** The ARP expands a tax credit allowing qualified individuals to deduct the cost of their health insurance premium.
- ✓ **Maternal Health Care:** Allows states to extend maternal health care coverage for women on Medicaid or CHIP from 60 days to 12 months after the birth of a child.

! ACTION REQUIRED

- File taxes by **May 17, 2021** to qualify for healthcare tax credits.
- A special healthcare enrollment period is open through May 15, 2021. You can sign up for a new health insurance plan on the ACA marketplace at [healthcare.gov](https://www.healthcare.gov).
- You can learn more about COBRA at the [U.S. Department of Labor's resource page](#).

CHILDCARE

- ✓ **Child Tax Credit:** The ARP increases the maximum amount to \$3,000 per child for ages 6-17 and \$3,600 for children ages 5 and under. Advance payments are available from July to December 2021.
- ✓ **Childcare and Dependent Tax Credit:** Families can now get a refundable tax credit for as much as half of their spending on childcare for children under the age of 13, for a total of \$4,000 for one child or \$8,000 for two or more children.
- ✓ **Childcare Vouchers:** The ARP expands eligibility for childcare vouchers to healthcare workers, emergency responders, sanitation workers, and other essential workers regardless of income.
- ✓ **Boosting Childcare Availability:** The ARP helps childcare providers cover their costs and extends funding for Head Start programs to ensure they can provide care.

! ACTION REQUIRED

- File taxes by **May 17, 2021** to qualify for advance child payments and childcare tax benefits.
- Check the [IRS website](#) for a new online portal set to launch in July 2021 where families can update their information to make sure they're eligible.
- Check your eligibility for childcare vouchers through your local childcare resource center.

