

**STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**Bulletin 2021-29-BT/CU**

**In the matter of:**

**Protection of Monthly  
Child Tax Credit Payments**

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**Issued and entered  
this 13<sup>th</sup> day of July 2021  
by Anita G. Fox  
Director**

Michigan residents will soon begin receiving advanced monthly child tax credit payments from the federal government under the American Rescue Plan Act of 2021 (American Rescue Plan). This bulletin is being issued in recognition of the fact that many of these advanced child tax credit payments are deposited into Michigan-chartered financial institutions' customer accounts.

Michigan financial institutions are encouraged to treat such deposits in the spirit of the American Rescue Plan to enable recipients to use the funds, to the greatest extent possible, to offset the many expenses of raising children. Therefore, Michigan financial institutions are strongly urged not to access the child tax credit payments to satisfy overdrafts that existed prior to a child tax credit payment being deposited, or to exercise rights of offset against the payments with respect to other debts without express agreement of the customer or member. If a financial institution's system automatically applies a child tax credit payment to an account overdraft, the financial institution is urged to reverse the application of the payment as promptly as possible. In addition, Michigan financial institutions are strongly urged not to charge against the advanced child tax credit payments for fees, such as overdraft fees, ATM fees, and late payment fees.

DIFS appreciates the continuing efforts of financial institutions to help protect Michigan residents during the ongoing COVID-19 pandemic.

Any questions regarding this Bulletin should be directed to:

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/s/

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