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SLIDES, LINKS, AND RECORDING
EMAILED AFTER THE WEBINAR!**



Clarifying Birthright Citizenship and the Child Tax Credit for American Families Abroad 2026



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<https://bit.ly/2026CTCFeedback>





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<https://irs.treasury.gov/rpo/rpo.jsf>

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AGENDA.

Minutes	Item
2 mins	Housekeeping & Intro
25 mins	Citizenship
25 mins	Child Tax Credit
5 mins	Democrats Abroad PSA
30 mins	Live Q&A

CHARLES LAMBDIN
ASSOCIATE, FRAGOMEN



FRAGOMEN



Acquisition of U.S. Citizenship by Children Born Abroad

Charles Lambdin, Fragomen LLP

AGENDA

- Application of U.S. Citizenship Laws
 - Birth Abroad to Married Parents
 - Birth Abroad to Unmarried Parents
- The Process
 - Proof of U.S. Citizenship: Applying for a Consular Report of Birth Abroad (CRBA) and U.S. Passport
- Alternative Citizenship Routes: Child Citizenship Act
 - Through Grandparents (N-600K)
 - Expedited Naturalization

U.S. Citizenship

Application of Law

- Questions of citizenship depend on the law in place at the time of the child's **birth**.
- Current law enacted in 1952 but has been amended at various times since.
 - Significant changes in 1986 and 2017
- If a child meets the requirements for acquiring U.S. citizenship at birth, they are a **U.S. citizen even if parents do not apply for a U.S. passport or Consular Report of Birth Abroad (CRBA)**.
- If child is a U.S. citizen and wants to travel to the U.S., they **must enter on a U.S. passport**. It is illegal for a U.S. citizen to enter on another country's passport.



Birth Abroad to Married Parents

Child Born Abroad to Married Parents

Transmission Requirements



If Both Parents are U.S. Citizens:

- At least one parent resided in the U.S. before the child's birth.
- At least one parent has a biological connection to the child.
- Both parents show a parental relationship to the child.

If Only One Parent is a U.S. Citizen:

- U.S. citizen parent was physically present in the U.S. for at least 5 years before the child's birth – Two of the 5 years must be after the age of 14.
- At least one parent has a biological connection to the child.
- Both parents show a parental relationship to the child.



Birth Abroad to Unmarried Parents

Child Born Abroad to Unmarried Parents

Transmission Requirements

If Both Parents are U.S. Citizens:

- At least one parent resided in the U.S. prior to the child's birth AND the U.S. citizen father meets the legitimization, financial support, and relationship requirements; **OR**,
- The U.S. citizen mother was physically present in the United States or its territories for a *continuous* period of one year before the child's birth

If Only Mother is U.S. Citizen (change of law in 2017):

- Mother was U.S. citizen at time of child's birth; and
- Mother was physically present in the U.S. for at least 5 years, 2 of which were after the age of 14.

If Only Father is U.S. Citizen:

- Blood relationship with child established by evidence.
- Father was U.S. citizen at time of child's birth.
- Father agrees to provide financial support for child until age of 18.
- Legitimation after birth before age 18.
 - Parents subsequently marry, father acknowledges paternity in writing under oath, or paternity established by a court.
- Father physically present in the U.S. for at least 5 years, 2 of which were after age 14.





The Process

Essential Documentation Checklist

Proof of Parent(s) U.S. Citizenship

- A U.S. passport, birth certificate, or naturalization certificate confirms a parent's citizenship status.

Evidence of Parent(s)' Physical Presence in U.S.

- Examples include: school records, tax returns, and employment documents demonstrate time spent in the U.S.
- There is no specific category of documents required.
- If you do not bring enough documents, the Embassy will request more in order to calculate the amount of time spent in the U.S.

Parent-Child Relationship

- The child's birth certificate or other documentation.

Parents' Marriage Certificate

- If needed to show acquisition of U.S. citizenship at birth.

Reminders

- Documents must be originals or certified copies
- Ensure you bring the number of copies requested to ensure smooth processing by the Embassy



Proof of Child's U.S. Citizenship - CRBA and U.S. Passport

Consular Report of Birth Abroad (CRBA)

A formal document issued by a U.S. Embassy or Consulate certifying the acquisition of United States citizenship at birth.

Must be made before the child's 18th birthday.

Recommend applying as soon as possible after the child's birth.

Can be completed online and documents uploaded for review before interview at Embassy/Consulate.

U.S. Passport Application

Can complete Form DS-11 online with eCRBA.

Recommend applying for CRBA and U.S. passport at same time. Must have U.S. passport for any travel to the U.S. and account for Embassy processing times. In appropriate circumstances, an emergency passport can be issued at the CRBA appointment.

Can include social security application as well. Social security card will come back from Social Security Administration.





Proof of Child's U.S. Citizenship - CRBA and U.S. Passport

Visit Embassy or Consulate

Both parents and child must go to the U.S. embassy or consulate in jurisdiction where child was born to attend in-person interview to finalize CRBA and passport applications.

Interviews are scheduled in advance.

Non-U.S. citizen parent does not have to attend appointment if they submit a notarized consent form.

Next Steps

The Embassy/consulate will process the CRBA and passport applications.

Once ready, the CRBA and passport will be returned based on the location's specific processes.

Child's social security card will be sent directly from the Social Security Administration.

Alternative Citizenship Routes



The Child Citizenship Act of 2000

Obtaining U.S. Citizenship After Birth and Before Age 18

- Children who do not automatically acquire citizenship at birth may still obtain citizenship:
 - **N-600K based on Grandparent:** Child regularly resides *outside* the U.S.
 - One parent is a U.S. citizen.
 - The U.S. citizen grandparent was physically present in the United States for at least 5 years, 2 of which were after age 14. The amount of time is counted in the aggregate.
 - Child is under 18 years of age.
 - Child resides outside the U.S. with U.S. citizen parent.
 - Child is lawfully admitted to U.S. for application approval.
 - **Expedited Naturalization:** Child is entering the U.S. on immigrant visa to *permanently reside in the U.S.*
 - Have at least one U.S. citizen parent by birth, naturalization, or adoption.
 - Be a lawful permanent resident of the United States.
 - Reside (or have resided) in the United States in the legal and physical custody of a U.S. citizen parent.
 - Satisfy all requirements before the age of 18.



Summary

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Final Points for Review



- Children born abroad to U.S. citizens will acquire U.S. citizenship at birth depending on:
 - The parent(s)' citizenship status at the child's birth.
 - The amount of time spent by at least one U.S citizen parent in the U.S.
- U.S. citizenship acquired at birth is automatic. A CRBA and/or U.S. passport only serve as evidence of citizenship.
- U.S. citizenship after birth but before age 18 is not automatic. You must take affirmative steps to request it.
- Parents should apply for a CRBA, U.S. passport, and social security number as soon as feasible after child's birth while information is readily available.
 - Ensure you account for passport processing times.
 - Emergency passports can be issued at the CRBA appointment in appropriate circumstances.

Citizenship Abroad Resources

Official Online Guidance

The U.S. Department of State website offers detailed resources for obtaining citizenship for children born abroad.

<https://travel.state.gov/content/travel/en/legal/travel-legal-considerations/us-citizenship/Acquisition-US-Citizenship-Child-Born-Abroad.html>

Embassy and Consulate Support

Please check the American Citizen Services section of your local U.S. embassy or consulate website.

Legal Expertise for Complex Cases

Experienced immigration attorneys can guide families through complicated legal requirements to ensure successful citizenship applications.

<https://www.fragomen.com/people/charles-a-lambdin-iii.html>

clambdin@fragomen.com



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Q&A



THANK YOU



OLIVIER WAGNER, EA, CPA

1040 ABROAD



The Additional Child Tax Credit (ACTC): Why Expat Families Miss Out on Thousands

Olivier Wagner, CPA
1040 Abroad



Why Citizens Are Always S Taxed The Myth: "I live abroad"

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Citizenship-Based Taxation: The U.S. is unique in taxing based on citizenship, not just residency.

The IRC Rule: Under IRC §1 and §61, all U.S. citizens are subject to tax on their worldwide income, regardless of where they live or where the income is earned.

IRC §1 & IRC §61: Everything is income, everything is taxed (to everyone)

IRC 871 & 872: By exception, Non Resident Alien are only taxed on US income



Filing Thresholds vs. Exclusions

“I
don’t
have
to file



The Threshold: You must file if your worldwide income exceeds the **Standard Deduction** for your filing status.
Example (2025 Tax Year): Single filers under 65 must file if they earn more than **\$15,750**.
The FEIE Trap: Many think they don't need to file if they earn less than the FEIE limit (\$130,000 for 2025).
Crucial Note: You cannot claim the Foreign Earned Income Exclusion (FEIE) unless you **file a return** to elect it.



Catching Up: Streamlined and Foreign Offsh

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Purpose: An IRS amnesty program for "non-willful" taxpayers to come into compliance without facing late-filing or FBAR penalties.
Eligibility: Must be a U.S. citizen living abroad who has not lived in the U.S. for at least 330 days in one of the last three years.
Requirements to Comply:
File the last 3 years of original or amended tax returns.
File the last 6 years of FBARs (FinCEN Form 114).
Complete Form 14653, certifying that the failure to file was non-willful.



Statute of Limitations for Refunds

General Rule (RSED): To claim a refund, you must generally file within 3 years from the date the return was filed or 2 years from when the tax was paid, whichever is later.
Use It or Lose It: If you do not file within these windows, the IRS is legally barred from issuing your refund, even if you are rightfully owed the money.

A Good Surpri se for Expats

You can owe \$0 in U.S. tax
and still receive money back.

IRC §24(d)

Two Credits, One Name

Child Tax Credit (CTC): reduces tax
Additional Child Tax Credit (ACTC):
refundable

IRC §24(a), §24(d)

**Key
Limita
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with
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d
Income**

ACTC is based on earned income.

IRC §24(a), §24(d)

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Foreign Earned Income Exclusion (FEIE)

Allows exclusion of foreign salary
Elected using Form 2555

IRC §911; Form 2555

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The Catch : Foreign n Earned d Income e 1040Abroad

Excluded income does NOT count as earned income for ACTC.
IRC §24(d) operated on MAGI and specifically excludes earned
income excluded using the FEIE (IRC 911)
Pub 54 goes further and confirms that the FEIE and ACTC are not
compatible

IRC §911; Form 2555



The Catch: Foreign Earned Income e 1040Abroad

Excluded income does NOT count as earned income for ACTC.
IRC §24(d) operated on MAGI and specifically excludes earned
income excluded using the FEIE (IRC 911)
Further Pub 54 clearly disallows ACTC when FEIE is used

IRC §911; Form 2555



The Alternative: Foreign Tax Credit

Credits foreign taxes paid
Keeps earned income eligible for ACTC

IRC §901



Why FTC Works Well in Europe

Higher foreign tax rates often eliminate U.S. tax

IRC §901

Why FTC Works Well in Europe

Higher foreign tax rates often eliminate U.S. tax

IRC §901

Simple Comparison

FEIE: \$0 tax, \$0 ACTC
FTC: \$0 tax, ACTC refund

IRC §§24, 901, 911

How Much Is ACTC ?

2025: up to 1,700 USD per child
2026: will be indexed on inflation

IRC §24(d)

Com mon Myths

No tax = no refund
FEIE is always best

IRC §24

Exam ple: Famil y in Germ any

Married couple, 2 children
Earned income: \$120,000 (Germany)
German income tax paid: ~\$45,000

FEIE:
U.S. tax: \$0
ACTC: \$0 (disallowed)

IRC §24, IRC 901, IRC §911

**Thank
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And
now
for
questi
ons. .**

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**SUBMIT YOUR
QUESTIONS NOW!**



**AND NOW YOUR PUBLIC
SERVICE
ANNOUNCEMENT**







**DEMOCRATS
ABROAD TAX
ADVOCACY
WORK.**

Democrats Abroad advocates for...

- Switch to Residency Based Taxation (RBT)
- Foreign Account Tax Compliance Act (FATCA) relief for Americans abroad
- Exemption for American business owners living abroad from the GILTI and Transition Tax
- Read more on DA's Taxation Task Force Blog <https://www.democratsabroad.org/taxation>



WHAT DOES DEMOCRATS ABROAD DO FOR YOU?

- Wrote the tax and financial access report on Americans abroad
- Helping host tax and financial education events all over the world
- Submit statements for the record to Congressional hearings
- Candidate outreach and education
- Visit Washington DC to talk to Congress, IRS, and Treasury



**READ THE
REPORT**

Go to:

www.democratsabroad.org/2022_report

**ONCE UNCOMFORTABLE,
NOW SUFFOCATING**

**A 2022 Update on Tax and Financial
Access Issues of Americans Abroad**

November 30, 2022





2026 TAX WEBINAR SERIES.

2026 Tax Global Webinar Series

- Jan 14 - [How to Survive Tax Day for Americans Abroad \(RECORDING\)](#)
- Jan 21 - **FREE** [Demystifying Taxes and Voting For Americans Abroad \(RECORDING\)](#)
- Jan 28 - **FREE** [Clarifying Birthright Citizenship and the Child Tax Credit for American Families Abroad](#)
- Feb 4 - [Retirement and Taxes for Americans Abroad](#)
- Feb 11 - [How to Avoid Double Taxation for Americans Abroad](#)
- Feb 18 - [How To Invest For Americans Abroad & Dual Citizens](#)
- Feb 25 - [How to File the FBAR for Americans Abroad](#)
- Mar 4 - [How to Catch Up on Filing Tax as an American Abroad](#)



2026 TAX WEBINAR SERIES.

2026 Country-Specific Tax Webinars Coming Up

- Feb 21 - [Canada US Tax Seminar](#) (Hybrid Vancouver)
 - March 10 - [Switzerland, Basel Tax Talk](#)
 - March 12 - [Switzerland, Geneva Tax Talk](#)
 - March 27 - [Switzerland, Zürich Tax Talk](#)
 - March 31 - [Switzerland Online Tax Talk](#)
 - April 28 - [Switzerland Online Pension Talk](#)
- And more coming up around the world soon! Check out democratsabroad.org/taxation_events



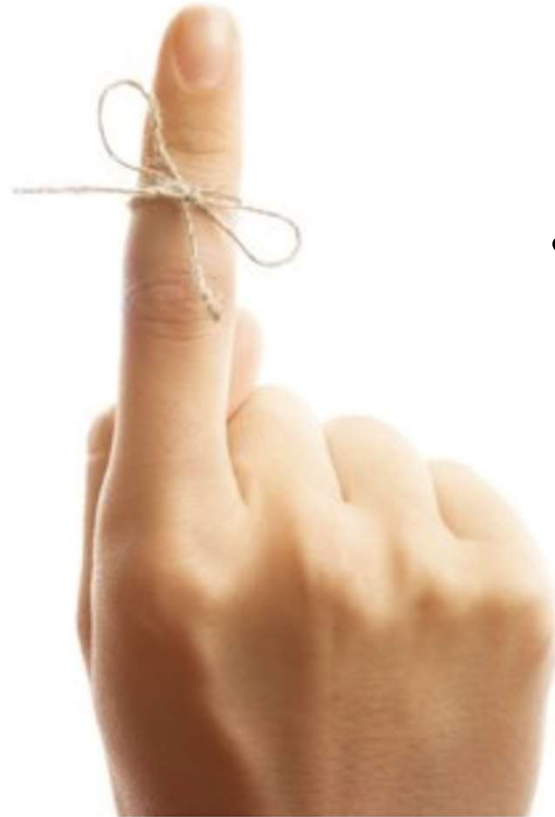
RESIDENCE BASED TAXATION FOR AMERICANS ABROAD ACT.

- Read the Democrats Abroad Taxation Task Force's bill explainer [here](#).
- Read the bill's FAQs [here](#).
- Watch the webinar on the bill [here](#).
- Read RBT bill mock case studies [here](#).
- Ask your House rep to co-sponsor [here](#).
- To sign up for updates, join the Democrats Abroad Taxation Task Force mailing list [here](#).



HOW TO REGISTER TO VOTE FROM ABROAD.

Every vote from abroad matters!



- Go to votefromabroad.org and register to vote today!
- Email voterhelp@votefromabroad.org for assistance.



**7 SMALL
ACTIONS YOU
CAN TAKE TO
HELP IMPROVE
THE TAX
SYSTEM FOR
AMERICANS
ABROAD.**

1. Request your ballot to vote in 2026 U.S. elections at votefromabroad.org
2. Read the Tax Report at: democratsabroad.org/2022_report
3. Share your tax horror story with your Members of Congress, instructions at: democratsabroad.org/write_to_your_members_of_congress
4. Join Democrats Abroad – it’s free! Go to democratsabroad.org/join to register today
5. Boost your donation for this webinar at: http://www.democratsabroad.org/donate_ttf
6. Sign up for our tax mailing list by going to: democratsabroad.org/ttf_signup
7. Volunteer: democratsabroad.org/ttf_volunteer

For more information go to:
democratsabroad.org/taxation

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THANK YOU!



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