



## **IMPORTANT INFORMATION ABOUT THE ECONOMIC IMPACT PAYMENTS (COVID STIMULUS CHECKS)**

**Page 1 - From the IRS**

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**Check [IRS.gov](https://www.irs.gov) for the latest information: No action needed by most people at this time**

IR-2020-61, March 30, 2020

WASHINGTON — The Treasury Department and the Internal Revenue Service today announced that distribution of economic impact payments will begin in the next three weeks and will be distributed automatically, with no action required for most people. However, some seniors and others who typically do not file returns will need to submit a simple tax return to receive the stimulus payment.

### **Who is eligible for the economic impact payment?**

Tax filers with adjusted gross income up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns will receive the full payment. For filers with income above those amounts, the payment amount is reduced by \$5 for each \$100 above the \$75,000/\$150,000 thresholds. Single filers with income exceeding \$99,000 and \$198,000 for joint filers with no children are not eligible.

Eligible taxpayers who filed tax returns for either 2019 or 2018 will automatically receive an economic impact payment of up to \$1,200 for individuals or \$2,400 for married couples. Parents also receive \$500 for each qualifying child.

### **How will the IRS know where to send my payment?**

The vast majority of people do not need to take any action. The IRS will calculate and automatically send the economic impact payment to those eligible.

For people who have already filed their 2019 tax returns, the IRS will use this information to calculate the payment amount. For those who have not yet filed their

return for 2019, the IRS will use information from their 2018 tax filing to calculate the payment. The economic impact payment will be deposited directly into the same banking account reflected on the return filed.

**The IRS does not have my direct deposit information. What can I do?**

In the coming weeks, Treasury plans to develop a web-based portal for individuals to provide their banking information to the IRS online, so that individuals can receive payments immediately as opposed to checks in the mail.

**I am not typically required to file a tax return. Can I still receive my payment?**

Yes. People who typically do not file a tax return will need to file a simple tax return to receive an economic impact payment. Low-income taxpayers, senior citizens, Social Security recipients, some veterans and individuals with disabilities who are otherwise not required to file a tax return will not owe tax. {Updated 4/1/2020 – Social Security Recipients who are typically not required to file tax returns will **NOT** need to file an abbreviated tax return to receive an Economic Impact Payment. Instead, payments will be automatically deposited into their bank accounts. Please note, however, that there has not been a timeline set for this to occur.}

**How can I file the tax return needed to receive my economic impact payment?**

[IRS.gov/coronavirus](https://www.irs.gov/coronavirus) will soon provide information instructing people in these groups on how to file a 2019 tax return with simple, but necessary, information including their filing status, number of dependents and direct deposit bank account information.

**I have not filed my tax return for 2018 or 2019. Can I still receive an economic impact payment?**

Yes. The IRS urges anyone with a tax filing obligation who has not yet filed a tax return for 2018 or 2019 to file as soon as they can to receive an economic impact payment. Taxpayers should include direct deposit banking information on the return.

**I need to file a tax return. How long are the economic impact payments available?**

For those concerned about visiting a tax professional or local community organization in person to get help with a tax return, these economic impact payments will be available throughout the rest of 2020.

**Where can I get more information?**

The IRS will post all key information on [IRS.gov/coronavirus](https://www.irs.gov/coronavirus) as soon as it becomes available.

The IRS has a reduced staff in many of its offices but remains committed to helping eligible individuals receive their payments expeditiously. Check for updated information on [IRS.gov/coronavirus](https://www.irs.gov/coronavirus) rather than calling IRS assistors who are helping process 2019 returns.

## **COMPILED FROM OTHER SOURCES:**

### **What Is A Stimulus Package?**

A stimulus package is a variety of economic measures created by the government to aid a struggling national economy. True to its name, its purpose is to stimulate the economy by increasing government spending, thus preventing, slowing or reversing a recession or depression.

The 2020 economic stimulus package is a response to the impact COVID-19 has had on the national and global economy. It goes by a few different names, including the economic relief package, the coronavirus stimulus bill and the economic stabilization package, but its official name is the Coronavirus Aid, Relief and Economic Security (CARES) Act.

At nearly \$2 trillion, the CARES Act is the largest rescue package in our country's modern history.

### **What Does The 2020 Stimulus Package Include?**

You can read the full CARES Act bill online, but here are a few key features of the stimulus package:

More than \$350 billion in funding to help small businesses

- More than \$100 billion in funding for hospitals
- \$500 billion in government lending for distressed businesses
- Protection against foreclosure and eviction
- Extended and additional unemployment benefits
- More people able to qualify for unemployment, including self-employed people like contractors, freelancers and gig workers
- Eligible people directly affected by COVID-19 to withdraw from 401(k) savings without penalty
- Direct payments to individual Americans through a stimulus check

### **When Will I Receive The Money?**

- Treasury Secretary Steven Mnuchin has expressed that he would like the payments to go out within 3 weeks of President Trump signing the CARES Act into law. However, a 3-week turnaround may be a little optimistic as stimulus payments in the past took a few months to arrive. For those who are able to be paid through direct deposit, the checks may come sooner than those getting a physical check in the mail.

## Can Money be Taken From My Check?

- The stimulus checks are not taxable, meaning you'll get the full amount. If you owe past taxes or have defaulted on your student loans, your check will not be reduced. However, if you owe past child support and it has been reported to the government, you could have that money taken from your stimulus check.

## How Should I Use My Stimulus Check?

- How you use your stimulus check is entirely up to you based on your financial situation and current needs

## Who will I receive my check from?

- **ONLY** the Internal Revenue Service (IRS) will be processing and sending out checks/payments.
- **Anyone offering to expedite your payment is a scam – plain and simple.** Payments **cannot** be expedited thru third parties, for a fee, etc. If you receive a text message, a phone call or an email from a party offering to assist you in receiving your check/payment – hang up/delete the message.
  - If you receive a check in the mail, with instructions that indicate this is your stimulus check and asking you to deposit the check at your bank, and send a certain amount back as the 'processors' fee – **this is a scam (there is no fee to receive your check/payment)**. For more details, and confirmation, take any such item to your local bank for a more detailed description of the scam.