

TOM COTTON



Recovery Checks for Americans

Background: On March 27th, President Trump signed the [CARES Act](#), legislation that will provide the emergency funds necessary to steer our economy through the outbreak of the China Virus and help Americans meet their financial needs. Part of that legislation provides a check in the form of a tax rebate to the vast majority of Americans. Information about those tax rebates is outlined in this document.

Eligibility: All U.S. residents are eligible as long as they have a work-eligible Social Security number and meet the income requirements. People whose income is entirely from nontaxable, means-tested programs — such as Supplemental Security Income benefits — are eligible too. If a person is a dependent on someone else’s tax return — such as a young adult — they are not eligible for payments.

[Click here to calculate how much assistance you will receive](#)

For Individual Filers: Americans who file their taxes as individuals will receive up to \$1,200 in assistance. If your income was less than \$75,000 in 2019, you will receive the full amount of \$1,200. For those making above \$75,000, reduced checks on a sliding scale will be paid. For every \$100 you make over \$75,000, your assistance will be reduced by \$5.

For Married Couples Filing Jointly: Americans who file taxes jointly will receive up to \$2,400 plus \$500 for every dependent under the age of 17. If your joint income was less than \$150,000 in 2019, you will receive the full amount of \$2,400 plus \$500 for every dependent under 17. For couples making above \$150,000, reduced checks on a sliding scale will be paid. For every \$100 you make over \$150,000, your assistance will be reduced by \$5.

For Heads of Household: Americans who file taxes as heads of household will receive up to \$1,200 plus \$500 for every dependent under the age of 17. If your income was less than \$112,500 in 2019, you will receive the full amount of \$1,200 plus \$500 for every dependent under 17. For those making above \$112,500, Reduced checks on a sliding scale will be paid. For every \$100 you make over \$112,500, your assistance will be reduced by \$5.

For Those on Social Security, Social Security Disability Insurance, Supplemental Security Income (SSI), or Railroad Retirement Benefits : If an individual has not filed a tax return in 2018 or 2019, the government will use an individual's 2019 SSA-1099 Social Security Benefit Statement or 2019 RRB-1099 Railroad Retirement Benefit Statement to advance payments to individuals who receive Social Security or Railroad Retirement Benefits. All Social Security beneficiaries—retired workers, disabled workers, eligible family members, and survivors—receive a Form SSA-1099. However, SSI recipients are **not provided** a Form SSA-1099. SSI recipients who also receive Social Security benefits will be automatically forwarded a payment. **SSI recipients who do not receive Social Security benefits will need to file a 2019 tax return** to receive a payment if they are otherwise eligible. **If an individual started receiving Social Security payments in 2020, they will need to file a 2019 tax return to be eligible.** Adults who are claimed as a dependent on another taxpayer's return are not eligible for a payment.

Past-Due Debts: The payment cannot be reduced for certain unpaid debts, including debts owed to a federal agency (but excluding child support), past-due state income taxes, federal taxes, or unemployment compensation debts. As for [student loans](#), Direct Loan borrowers and Federal Family Education Loan (FFEL) borrowers with loans that are still owned by the Department of Education will have their payments suspended through September 30, 2020. Federal student loan borrowers do not need to take any action to suspend payments. Your federal student loan servicer will suspend all payments without any action from you. You do not need to contact your student loan servicer. While federal student loan payments are suspended, the loans shall not accrue any interest and the month of a suspended loan payment will be treated as if a loan had been made for purposes of loan forgiveness and loan rehabilitation. The suspension period will result in no negative credit reporting and also involuntary collection of the loan will be suspended—no wage garnishments, tax intercepts, offset of federal benefits, or any other collection activity. **These protections do not apply to borrowers with Perkins Loans and borrowers whose FFEL loans are held by banks or guaranty agencies.** If you have a Perkins Loan or an FFEL loan that is privately owned, you should contact your loan servicer to explore options they may be offering.

Common Questions and Answers

Q: How will I receive the assistance?

A: For the vast majority of Americans, no action on their part will be required in order to receive a rebate check. The IRS will use a taxpayer's 2019 tax return if filed, or in the alternative their 2018 return. This includes many low-income individuals who file a tax return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit. If you gave your bank account information to the IRS when filing your taxes, you will likely receive a direct deposit from the government. If you did not, you will likely receive a check in the mail. No later than 15 days after the date on which Treasury makes a payment to an eligible taxpayer, a notice will be sent by mail to that taxpayer's last known address. That notice will indicate the method of payment and the amount of payment.

Q: When will my payment arrive?

A: Treasury Secretary Steven Mnuchin has said he expects most people who have already filed a 2018 or 2019 tax return to get their payments within three weeks. Those who have not already filed a 2018 or 2019 tax return, but are planning to file to receive their payment, will likely receive their payment after the initial round of payments. For individuals who are on Social Security or Railroad Retirement Benefits and do not need to file a tax return, it is unclear when you will receive your payment. The IRS needs to determine how they will implement using your Social Security Benefit Statement (SSA-1099 or RRB-1099) to advance payments.

Q: Will I have to pay taxes on these payments?

A: No

Q: Do I need to have income to qualify?

A: No.

Q: What tax year will be used to determine my income?

A: If you have already filed your taxes for 2019, your income for that year will be used to determine your assistance. If you have not filed your taxes for 2019, the IRS will use your 2018 tax filing to determine your assistance.

Q: What If I haven't filed a tax return for 2018 or 2019?

A: If you meet the eligibility requirements for a payment but have not filed a tax return in the last two years, you must file a tax return to receive a payment. If you make less than \$69,000 a year, you can find free tax filing options at the [IRS Free File webpage](#). If you make more than \$69,000 a year, there may be free options available to you offered by several commercial tax prep companies, like Intuit (TurboTax), H&R Block or TaxAct. If you want in-person tax help for free, You may qualify for the IRS' [Volunteer Income Tax Assistance \(VITA\) program](#). To qualify, you must

- Make less than around \$56,000 a year, OR
- Live with a disability, OR
- Speak limited English

The program matches you with IRS-certified volunteers across the country who can help with free basic income tax preparation and electronic filing. You can use the [Volunteer Income Tax Assistance locator tool](#) or call 800-906-9887 to find someone to help you. Keep in mind that some locations may require an appointment.

Q: Would most people who are receiving Social Security payments each month also get a stimulus payment?

A: Yes. If the individual has not filed a tax return in 2018 and 2019, the government will use an individual's 2019 SSA-1099 Social Security Benefit Statement or RRB-1099 Social Security Equivalent Benefit Statement to advance payments to individuals who receive Social Security or Social Security Disability Insurance. All Social Security beneficiaries—retired workers, disabled workers, eligible family members, and survivors—receive a Form SSA-1099. Those who only receive Supplemental Security Income (SSI) but do not receive Social Security will need to file a tax return. Adults who are listed as a dependent on another individual's tax return are not eligible for payments.

Q: Will eligible unemployed people get these stimulus payments? Veterans?

A: Yes, to both

Q: What If I owe money to the government?

A: The payment cannot be reduced for certain unpaid debts, including debts owed to a federal agency (but excluding child support), past-due state income taxes, federal taxes, or unemployment compensation debts.