

## **Stimulus Check FAQs**

### **Who qualifies for the stimulus payments?**

Any adult with a Social Security number will receive a payment, as long as they are not dependents of someone else. Adults will receive the payments for the children in their household. Payments begin phasing out for individuals who have an adjusted gross income above \$75,000, for heads of household (often single parents) at \$112,500 and for married couples at \$150,000. The payments are reduced by 5% of the individual or couple's income above those levels. Individuals with no children with incomes over \$99,000 and married couples with no children with incomes over \$198,000 will not qualify for a stimulus payment.

### **What is the amount of funding families and individuals will receive in stimulus payments under the new law?**

The law provides \$1,200 for each adult and \$500 for each child under 17. A married couple with two children would receive \$3,400. Most people will receive the money in a payment from the Internal Revenue Service (IRS) soon.

### **How will I know where my stimulus payment was sent?**

You will receive a paper notice in the mail no later than a few weeks after your payment has been disbursed. This notice will contain information about where the payment was deposited and in what form it was made. If you cannot locate the payment at that point, please contact the IRS using the information provided on the notice.

### **Will most people who are receiving Social Security retirement and disability payments each month also receive a stimulus payment?**

Yes.

### **Will eligible unemployed people receive these stimulus payments? Will Veterans receive these payments?**

Yes and yes.

### **When will the stimulus payment arrive?**

US Treasury Secretary Steven Mnuchin explained the IRS may possibly start issuing payments within three weeks. However, the IRS has not announced a schedule. Individuals or families who have filed 2019 tax returns with direct-deposit information will receive their payments faster than those who will need paper checks. The IRS will provide updated information on its [website](#) about the process but is urging citizens to not call yet with questions until the process is finalized.

### **Will I have to apply to receive my stimulus payment?**

No. If the IRS already has your bank account information, it will transfer the money to you via direct deposit based on the recent income-tax figures it already has.

**How does the IRS determine whether you are receiving a payment and the amount you receive?**

The government will use 2019 tax returns to set the payment amounts and 2018 tax returns if the individual has not filed yet for 2019. Individuals and families who have not filed tax returns can still file for 2019 to make sure the government has their updated income and bank-account information, as well as 2019 information about recent births, deaths, marriages, divorces and moves. Any changes that occurred after 2019 will not be reflected in the payments, however.

The IRS also will work with The Social Security Administration to obtain information for individuals who receive benefits but do not typically file tax returns. So these individuals may not need to file tax returns to claim this payment. The IRS will provide more details pertaining to this situation.

**What if I expect my 2020 income to be substantially different than my 2019 or 2018 income?**

The advanced stimulus payments will be determined based on 2019 income (or 2018 income if that is all that is available to the IRS) and the final amount of the benefits will be determined based on 2020 income and settled on the 2020 tax return. So individuals who ultimately qualify for more money than they receive this year—a person whose income drops from \$100,000 to \$70,000, for example—would receive the rest through a larger tax refund or smaller tax payment in early 2021. But for those who ultimately qualify for less money than they received this year—a person whose income rises from \$70,000 to \$100,000—may keep the advance payment and will not have to pay it back.

**What if a child was listed as a dependent in 2018, but is filing separately in 2019?**

If 2019 tax returns have already been filed, the IRS will issue stimulus payments based off that information. If the former dependent has not filed a 2019 return, there may still be time to update the information with the IRS if they file their return promptly. If they do not update in time to receive a stimulus payment, the credit will be applied to their 2020 return when they file in early 2021.

**Besides those who make above the income threshold for the payments, is there anyone who doesn't get a payment?**

You must have a Social Security number to receive a payment. Also, if you are a dependent on someone else's tax return and you are not a child, you do not receive a payment. That will preclude payments for some elderly adults as well as students over age 16.

**Are the payments taxable income?**

No. They will not be considered as income on your tax returns.

**What about taxpayers who owe money to the IRS for prior years?**

Other IRS liabilities will not come out of these stimulus payments and even individuals who owe back taxes should receive the full amount they qualify for under the new law.

**What about child support?**

Current IRS rules for child support and tax refunds will apply. Therefore, refunds for taxpayers who are behind on those payments may be reduced.

**If I have a child in 2020, will I receive the \$500 payment?**

Parents of children born in 2020 won't get a payment for that child now. However, assuming they qualify based on their 2020 income, they will get \$500 added to their tax refund or subtracted from their income-tax bill when they file their 2020 tax returns in early 2021.

**If my income tax refunds are currently being garnished because of a student loan default, will this payment be garnished as well?**

No. This law temporarily suspends nearly all efforts to garnish tax refunds to repay debts, including those to the IRS itself.

**How will this check interact with my 2020 tax return I'll file next year?**

This check is a "credit" in addition to whatever you would normally claim on your tax return. So, if you are someone whose return is basically the same from year to year, your tax return or payment due in 2021 will be no different than previously expected.

If you are someone whose 2019 or 2018 (the most recent return the IRS has) income and family information provides you a more generous payment under the program than your 2020 income and family information end up providing, you will not need to repay any of the credit you receive and it will not be deducted from your potential future return.

If you are someone whose 2018 or 2019 (the most recent return the IRS has) income and family information provides you a less generous payment under the program than your 2020 income and family information end up providing, you will be able to take the additional credit amount on your 2020 tax return you file in 2021.

**Stay home and stay healthy!**