



## 2020 Cash Payments

### Most Frequently Asked Questions

#### **Who is eligible for cash payments?**

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.

## **Why do we need cash payments?**

The public health and economic consequences of COVID-19 are significant. These rebates help Americans afford what they need during this public health crisis, as many are experiencing a significant cash crunch.

## **When will the rebates be distributed?**

The Internal Revenue Service (IRS) will work to deliver rebates quickly in the form of advance payments. For people who filed a federal income tax return in 2018 or 2019, payment processing will be based on payment or address information already on file with the IRS. Electronic distributions will be automatic to an account the payee authorized January 1, 2018 or later.

## **How large are the rebates?**

The amount of the rebate depends on family size. The payment is \$1,200 for each adult individual (\$2,400 for joint filers), and \$500 per qualifying child under age 17. The advance payment of rebates is reduced by \$5 for every \$100 of income to the extent a taxpayer's income exceeds \$150,000 for a joint filer, \$112,500 for a head of household filer, and \$75,000 for anyone else (including single filers).

## **Do rebates need to be repaid?**

No, rebates do not need to be repaid. If an individual experienced an income loss in 2020 or if they have an increase in family size, they may be able to claim an additional credit of the difference when the individual files their 2020 tax federal income tax return in 2021.

## **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.

**Many individuals don't need to file a tax return. Are non-filers eligible for rebates?**

Yes. There is no earned income requirement to be eligible for a rebate, but non-filers may need to take additional steps to receive their rebates. The Social Security Administration will share information for Social Security (Old-Age, Survivors, and Disability Insurance) beneficiaries with IRS to help ensure these beneficiaries receive an automatic advance payment.

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.

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.

**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.

**How will a person who has recently moved access rebates?**

The IRS will determine payment delivery systems for everyone entitled to rebates.

**Will the rebates affect my eligibility for federal income-targeted programs?**

No, the rebate is considered a tax refund and is not counted towards eligibility for federal programs.

**What identification requirements apply to receive rebates?**

Taxpayers must have Social Security Numbers for themselves and their qualifying children in order to receive rebates.