



*Breaking Barriers to Justice*

## **COVID-19 and CONSUMER ISSUES**

### **FREQUENTLY ASKED QUESTIONS**

**NOTE:** The Frequently Asked Questions below were written to help answer questions we have heard because of the COVID-19 emergency. It is important to have reliable information when dealing with a public health emergency. However, the situation is changing very rapidly, and the information below may not be up-to-date. Under normal circumstances, many of the answers may be different. The information that follows is based on Illinois and US laws, regulations, and emergency orders. This information is intended only to be an overview of your rights. Since every case is different, you should not rely on this information as a substitute for an attorney.

#### **I lost my job and I can't pay my bills. What is going to happen?**

Currently, no state or federal laws require private lenders to delay due dates or reduce payments. But private lenders MIGHT work with you during this difficult time. Many lenders are choosing to work with their customers by deferring payments to the end of a loan or reducing payments.

If you can't pay a debt, it's a good idea (but not required) to call the lender and let them know. Tell them how much you can pay or when you think you can pay again.

#### **What is the Economic Impact Payment?**

The federal CARES Act includes economic impact rebate payments to millions of people. The maximum amount is \$1,200 per qualifying adult and \$500 per child under 17 years old.

The amount of the Impact Payment is based on your 2018 or 2019 income tax return. If you did not file an income tax return for 2018 or 2019, you can still do so.

However, people who receive Social Security retirement or disability benefits will receive a payment even if they have not filed a tax return. At this time, it is not clear whether people who receive SSI only or VA-only benefits will receive an Impact Payment unless they filed an income tax return.

If someone else claimed you as a dependent on their taxes, you aren't eligible to receive the Impact Payment.

The Impact Payment cannot be intercepted for student loans, unemployment overpayments, or other non-federal debts. The Impact Payment can be intercepted for child support.

The Impact Payment will be directly deposited into the bank account you put on your income tax return. If the IRS does not have your bank account information, the IRS is supposed to set up a web-portal that you can use to give them your banking information. Otherwise, the IRS will mail you a paper check. Direct deposits are expected to occur in April. Paper checks are expected to be mailed in May.

### **When do I have to file my taxes?**

TAX DAY is now July 15, 2020 (not April 15th). All federal and state filing and payments are due July 15, 2020. No additional penalties or interest accrues if you pay on or before July 15, 2020. If you are getting a refund, file as soon as possible. The IRS is still mailing out tax refunds within 21 days.

### **Be alert for Coronavirus Scams!**

The IRS, Social Security, and other government agencies will never call you, text you, or email you and ask for personal information like your Social Security number or your banking information.

Even if your caller ID looks like the IRS or Social Security, it is probably a scammer. The IRS or Social Security will never call you and ask you to verify your Social Security number or threaten to arrest you or threaten to take your benefits. They will also never ask you to send cash or ask for your banking information.

Learn more about Coronavirus Scams at <https://www.consumer.ftc.gov/>.

### **I was sued by my credit card company. What is happening with my court case?**

All court cases have been continued until May 2020, including court cases that have the letters LM, SC, and AR in the court case number. To find out your new court date, you must go to your circuit clerk website or call the court clerk's office to find out what your new court date is. If the Governor extends his shelter in place order, court cases may be continued again.

Remember, postponing court dates means lawsuits in court are temporarily suspended. It does not mean payments are forgiven or permanently excused. Continue to try to pay your debts. As always, pay the most important debts like rent and utilities first.

### **Can my car be repossessed during this public health emergency?**

The Governor issued an Executive Order on March 27, 2020 saying that the laws that allow repossession of cars for nonpayment are suspended. But your lender may still be able to repossess your car if they don't "breach the peace."

### **My wages are being garnished. Will that stop during COVID-19 emergency.**

No. If a court entered a Judgment against you and your paycheck is being garnished, this will not stop.

If a Judgment is entered against you, and your employer has already received the Wage Garnishment Summons from a creditor, the employer must withhold the amount allowed by law until a court decides if the money must be turned over to a Creditor. Please apply for LOLLA services or contact your attorney to see if the correct amount is being withheld.

If no Judgment was entered against you, but you currently are being sued by a creditor, the creditor cannot garnish your paycheck until there is a Judgement against you, and a Court Order approves the garnishment.

**I signed a wage assignment with a payday lender. Can that be stopped during COVID-19 emergency?**

Yes. Apply for LOLLA services or contact your attorney to find out how to stop wage assignments

**Is there anything I need to know about my student loan?**

Federal Student Loan student loan payments are suspended until September 30, 2020.

If you have a federal student loan and can't pay, you will not get additional interest during this time. If you make a payment, 100% will go towards your principal balance. Suspension of your Federal student loans is automatic and you do not need to apply. Contact your private loan servicer directly to see if they are adjusting their rules temporarily.

**Are there other legal resources available besides Land of Lincoln?**

The Public Interest Law Initiative PILI has set up the COVID-19 Illinois Free Legal Answers Task Force. [Illinois Free Legal Answers](http://il.freelegalanswers.org) is a secure website (il.freelegalanswers.org) where low-income Illinoisans can ask a lawyer a question about a civil legal issue.

You can also call or email the Illinois Lawyer Finder Service. The telephone number is 800-922-8757 and the website is [www.isba.org/public/illinoislawyerfinder](http://www.isba.org/public/illinoislawyerfinder).

Illinois Legal Aid Online also has a lot of legal information at [www.illinoislegalaid.org](http://www.illinoislegalaid.org).

**Land of Lincoln Legal Aid  
Legal Advice & Referral Center  
Phone: (618) 394-7300  
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Rev. 4/13/2020