

## **UPDATED Information About CARES Act Stimulus Payments – April 21, 2020**

### **Who is Eligible to Receive Stimulus Payments?**

Stimulus payments, also called Economic Impact Payments, will be made as follows:

- \$1,200 for single taxpayers with adjusted gross incomes (AGI) of \$75,000 or less;
- \$2,400 plus \$500 payments for each child under the age of 17 (“qualifying child”) for married couples filing jointly with AGIs of \$150,000 or less; and
- \$1,200 plus \$500 payments for each qualifying child for heads of households (usually single parents with children) with AGIs of \$112,500 or less.

Others with higher incomes may qualify for smaller stimulus payments. See [here](#) for “Who is eligible?”

The following individuals are **not** eligible for a CARES Act stimulus payment:

- Individuals who do not have a Social Security Number; and
- Young adults who are age 17 and older and who are claimed as dependents on another person’s income tax return.

More information is [here](#).

### **Will Past-Due Federal Taxes or Other Federal Debts Be Deducted from Stimulus Payments?**

No, the only deduction that can be taken from stimulus payments is if past child support payments are due and that amount has been reported to the federal government.

### **Can Stimulus Payments Be Taken by Debt Collectors**

However, it is possible that private creditors or debt collectors could garnish these stimulus payments when they are directly deposited into a person’s bank account. Twenty-six State Attorney Generals including Illinois Attorney General Kwame Raoul have requested that the U.S. Treasury issue rules making the stimulus payment exempt from garnishment or other collection actions. It is also possible that [Executive Order 2020-25](#), issued by Governor Pritzker on April 14, 2020 will prevent garnishment.

### **How Payments Are Made?**

## People Who Filed Income Tax Returns in 2019 or 2018

If an individual has already filed a 2019 tax return, the IRS will use the bank direct deposit information in the return (bank routing number and account number) to make an electronic stimulus payment. If no 2019 income tax return has been filed, the IRS will look to see if the individual or couple filed a 2018 income tax return and use the direct deposit information in that return to make the electronic payment. If the IRS has no bank information, it will mail out a paper check. People who want to add a bank account or whose bank information has changed will need to update IRS through this [website](#).

## Social Security Beneficiaries

People who receive Social Security benefits (Retirement Benefits, Disability Benefits, Survivors Benefits) who received a 1099-SSA for 2018 or 2019 will receive their [stimulus payments](#) by direct deposit in the bank account, Direct Express debit card, or paper check in the same manner that they receive their monthly Social Security payments. Payments are expected to be made no later than the end of April.

## What to Do to Receive \$500 Child Payments

However, by [Wednesday, April 22, 2020](#), people who receive Social Security payments who have **qualifying children under age 17** and who did not file an income tax return in 2018 OR 2019 need to go to IRS's webpage at [www.irs.gov/coronavirus/economic-impact-payments](http://www.irs.gov/coronavirus/economic-impact-payments) to enter their information to receive the additional \$500 per qualifying child. By entering their information at the IRS website, they will also receive the \$500 per dependent child payment in addition to their own \$1,200 individual payment. **However, if Social Security beneficiaries do not act by April 22, 2020, they will be required to file a 2020 income tax return to obtain the additional \$500 per eligible child.**

## People Whose Benefits Started on or after January 1, 2020 Must Provide Additional Information to Get Stimulus Payments

In addition, anyone who started receiving Social Security benefits [on or after January 1, 2020](#) who did not file income taxes in 2018 OR 2019 will also need to go to IRS's webpage at [www.irs.gov/coronavirus/economic-impact-payments](http://www.irs.gov/coronavirus/economic-impact-payments) to enter their information to receive the \$1,200 stimulus payment.

## Special Instructions for Direct Express Cardholders

People who use Direct Deposit debit cards, who complete the IRS form to receive \$500 child payments or who began receiving Social Security on or after January 1, 2020 may leave the bank account information blank because the U.S. Treasury already has their Direct Express information on file.

### **SSI Recipients**

SSI recipients, other than those who first received SSI benefits on or after January 1, 2020, will also receive stimulus payments paid directly to their bank accounts by direct deposit, Direct Express debit card, or by paper check, just as they would normally receive their monthly SSI benefits. The U.S. Treasury estimates that these payments will be made no sooner than early May.

### **What to Do to Receive \$500 Child Payments**

SSI recipients with qualifying children under age 17 will need to go to IRS's webpage at [www.irs.gov/coronavirus/economic-impact-payments](http://www.irs.gov/coronavirus/economic-impact-payments) to enter their information in order to receive the additional \$500 per qualifying child payment. We expect that a deadline will be set very soon.

### **People Whose Benefits Started on or after January 1, 2020 Must Provide Additional Information to Get Stimulus Payments**

In addition, anyone who started receiving SSI benefits on or after January 1, 2020 who did not file income taxes in 2018 OR 2019 will also need to go to IRS's webpage at [www.irs.gov/coronavirus/economic-impact-payments](http://www.irs.gov/coronavirus/economic-impact-payments) to enter their information to receive the \$1,200 stimulus payment.

### **Special Instructions for Direct Express Cardholders**

People who use Direct Deposit debit cards, who complete the IRS form to receive \$500 child payments or who began receiving Social Security on or after January 1, 2020 may leave the bank account information blank because the U.S. Treasury already has their Direct Express information on file.

### **Unclear How Child SSI Recipients Will Be Treated**

It is still unclear in what amount and how stimulus payments will be made to children (under the age of 18) who receive SSI.

### **Stimulus Not Counted for SSI Eligibility**

The stimulus payments are not considered as income and are excluded from resources for 12 months.

### **People Who NEITHER Filed 2019 or 2018 Income Tax Returns NOR Receive Social Security or SSI**

Many people are not required to file income tax returns. People do not need to file income tax returns if their gross income did not exceed \$12,200 (\$24,400 for married couples) in 2019 or if they did not otherwise need to file.

Non-income tax filers – **excluding** people who receive Social Security benefits and received a 1099-SSA for 2018 or 2019 AND people who receive Supplemental Security Income (SSI) – will need to go to either:

- File their 2019 income tax return by July 15, 2020 if they are [required to file an income tax](#) or would qualify for a refund or Earned Income Tax Credit (EITC); or
- Go to IRS's webpage at <https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here> to enter their information in order to receive the \$1,200 stimulus payment.

Those whose Social Security and SSI payments started on or after January 1, 2020 also must go to IRS's [webpage](#) to enter their information to receive the stimulus payments.

### **How to Check to See Whether Payment Has Been Made or To Provide Bank Information to the IRS**

If the IRS does not have direct deposit information for an individual or the bank account used by the IRS has been closed, a paper check will be mailed out by the U.S. Department of Treasury.

People who filed income tax returns in 2018 or 2019 can login in to this [website](#) to:

- Check if their payment has been made;
- Confirm how the payment was made – direct deposit or check; and
- Enter or update bank account information (bank routing number and account number) for direct deposit.

The IRS also states that if someone has moved since they last filed income taxes, they should let IRS know the [new address](#).

### **How the Stimulus Payment Works with Other Assistance Payments and Programs**

Stimulus payments will not be counted as income or resources for Medicaid, SSI, SNAP, TANF and other federally funded means-tested programs. Because these payments are tax rebates, they “shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds” [26 U.S. Code § 6409](#).

This means that people with disabilities can accept these payments without putting their Supplemental Security Income (SSI), Social Security, Supplemental Nutrition Assistance Program (SNAP), and other benefits at risk.

### **Warning for Mixed Immigration Status Families Who Purchase Health Insurance through the Marketplace**

Mixed-immigration status taxpayer (where one taxpayer has an SSN and the other taxpayer has an ITIN) are at risk if they pay for health insurance through the [Affordable Care Act Marketplace](#). In those cases, the couple would need to file separately in order to claim the stimulus payment for eligible household members. However, filing separately could make that person ineligible for Affordable Care Act subsidies that may be larger than the Recovery Rebate. Mixed status families should talk to experts who specialize in access to health insurance and tax professionals to determine the better option.

### **Beware of Scammers**

Scammers are hard at work trying to convince people to trust them to obtain stimulus checks for them; many people will be scammed and not receive these checks in the coming weeks and months.

The Social Security Administration’s [website](#) states:

If you receive calls, emails, or other communications claiming to be from the U.S. Treasury Department, the Internal Revenue Service, the Social Security Administration, or another government agency offering COVID-19 related grants or economic impact payments in exchange for personal financial information, or an advance fee, or charge of any kind, including the purchase of gift cards, please **do not respond**. These are scams. [Visit Treasury’s website](#) if you suspect economic impact payment fraud.

### **Where to Watch for Stimulus Payment Updates**

Watch our Legal Council website or the [IRS website](#) for updates.