



Economic Impact Payments

Who Gets a Payment and How?

May 20, 2020





Agenda

- 1 Overview of Payments and Eligibility
- 2 Payment Process
- 3 Common Issues Regarding Eligibility
- 4 Common Issues Related to Payments

Overview of Stimulus Payments and Eligibility

- Under the CARES Act, the government is issuing cash payments to qualifying Americans. These are called “economic impact payments.”
- Payments of up to \$1200 per qualifying individual and \$500 per qualifying child.

Qualifying Individual:

No age limit, but individual must satisfy following requirements:

1. Citizen or Legal Resident of the U.S. with an SSN,
2. Not a dependent, AND
3. Make \$75,000 or less per year (partial payment may be available to individuals making under \$99,000).

Qualifying Child:

1. Must have a SSN or Adoption Identification Number,
2. Dependent,
3. Child, brother, sister, or descendant thereof AND
4. Under 17 as of December 31, 2019.

Dependents are not eligible to receive \$1200 payments.

A person who meets all 3 criteria is a dependent:

- under the age of 19 at the end of 2019,
- lived with a parent, foster parent, brother, sister, half-brother, half-sister, stepbrother, or stepsister (or a descendant of any of them) for more than half of 2019, AND
- provided 50% or less of their own support for 2019.

A youth that checks all 3 boxes is considered a dependent, and the youth will not be entitled to an economic impact payment on their own behalf.

Common Issues – Eligibility

- If a youth is not a dependent, is there a minimum age for a youth to qualify for the \$1200 stimulus payment?
- Under what circumstances would a youth who is not a U.S. citizen be eligible for the payment?



Common Issues – Eligibility

- Can foster parents claim foster children as dependents and qualify for the \$500 payments?
- Why are dependents over the age of 17 excluded from the stimulus program (not eligible for either the \$500 or \$1,200 payment)? Will this be corrected?



Common Issues – Eligibility

- If a youth was claimed on their parent's tax return, and should not have been, what recourse does the youth have?
- What happens if the youth was claimed as a dependent on a 2018 or 2019 return, but is no longer a dependent in 2020?



Payment Process

If	Then
You filed a 2018 or 2019 U.S. tax return	You will automatically receive a payment, either by direct deposit or by a check or debit card mailed to the address provided on your last return.
You didn't file and earn less than \$12,200 (\$24,400 for married couples)	You can provide the IRS with basic information through the Non-Filers Portal on the IRS website: <ul style="list-style-type: none">• Name, address, email address, date of birth, SSN required for each adult.• Name, relationship, and SSN or Adoption Taxpayer Identification Number required for each child.• Deadline to provide direct deposit details has passed, but individuals can still receive paper checks or debit cards.
You were claimed as a dependent on a 2019 tax return, but are not a dependent in 2020	You may try filing a 2019 tax return or using the Non-Filers Portal to receive payment in 2020, but the IRS may reject it if you were claimed as a dependent on someone's 2019 return. Alternatively, you can file a 2020 return as soon as possible in 2021 and claim the payment in 2021.

Prepaid debit cards

- Starting the week of May 18, 2020, prepaid debit cards will be sent to individuals instead of checks to individuals without bank information on file, and whose tax return was processed by either the Andover or Austin IRS Service Center.

Payment status

- Check payment status using the [Get My Payment](#) tool on the IRS website.
- Identity will be verified by answering security questions, such as SSN/ITIN, birth date, address, and zip code.

Common Issues – Payment

- Are there deadlines to get the funds?
- What tips and guidance do you have for using the Non-Filers Portal?
 - What address should homeless youth use?



Common Issues – Payment

- What tips and guidance do you have for using the Get My Payment tool?
 - Are youth able to find out if their check went to a previous address?
 - How should “Payment Status Not Available” be handled?



Potential Future Stimulus Payments and New Law

- New law for additional stimulus payments will need to pass both House and Senate.
- The proposed HEROES Act was passed by House and is unlikely to pass the Senate without changes.
- Proposals in HEROES Act:
 - Revises rules for CARES Act stimulus payments so that all dependents (not just qualifying children) are eligible for the \$500 amount.
 - Revises rules for CARES Act stimulus payments so that individuals who only provide a TIN (instead of a SSN) are eligible for payments.
 - Additional HEROES Act stimulus payments (in addition to the CARES Act stimulus payments):
 - Additional stimulus payments of up to \$1200 per qualifying individual and \$1,200 per dependent (maximum of 3 dependents).

Resources

- [Baker McKenzie COVID-19 Support: Youth Guidance](https://www.bakermckenzie.com/en/insight/publications/2020/04/pro-bono-support-covid19-resources#youthguidance): <https://www.bakermckenzie.com/en/insight/publications/2020/04/pro-bono-support-covid19-resources#youthguidance>
- [Information on Obtaining a SSN](https://www.ssa.gov/ssnumber/): <https://www.ssa.gov/ssnumber/>
- [IRS Free File](https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free): <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>
- [Economic Impact Payment Information](https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know): <https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know>
- [EIP Information Center](https://www.irs.gov/coronavirus/economic-impact-payment-information-center): <https://www.irs.gov/coronavirus/economic-impact-payment-information-center>
- [Non-Filers Portal](https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here): <https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here>
- [Get My Payment](https://sa.www4.irs.gov/irfof-wmsp/login): <https://sa.www4.irs.gov/irfof-wmsp/login>

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