



Economic impact payments: What you need to know

Updated with new information for seniors, retirees on April 1, 2020. Also see Treasury news release.

Check IRS.gov for the latest information: No action needed by most people at this time

IR-2020-61, March 30, 2020

WASHINGTON — The Treasury Department and the Internal Revenue Service today announced that distribution of economic impact payments will begin in the next three weeks and will be distributed automatically, with no action required for most people. However, some taxpayers who typically do not file returns will need to submit a simple tax return to receive the economic impact payment.

Who is eligible for the economic impact payment?

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. Social Security recipients and railroad retirees who are otherwise not required to file a tax return are also eligible and will not be required to file a return.

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 and up to \$500 for each qualifying child.

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.

The IRS does not have my direct deposit information. What can I do?

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.

I am not typically required to file a tax return. Can I still receive my payment?

Yes. The IRS will use the information on the Form SSA-1099 or Form RRB-1099 to generate Economic Impact Payments to recipients of benefits reflected in the Form SSA-1099 or Form RRB-1099 who are not required to file a tax return and did not file a return for 2018 or 2019. This includes senior citizens, Social Security recipients and railroad retirees who are not otherwise required to file a tax return.

Since the IRS would not have information regarding any dependents for these people, each person would receive \$1,200 per person, without the additional amount for any dependents at this time.

I have a tax filing obligation but 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?

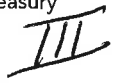
For those concerned about visiting a tax professional or local community organization in person to get help with a tax return, these economic impact payments will be available throughout the rest of 2020.

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.

Page Last Reviewed or Updated: 02-Apr-2020



U.S. DEPARTMENT OF THE TREASURY

Social Security Recipients Will Automatically Receive Economic Impact Payments

April 1, 2020

WASHINGTON – The U.S. Department of the Treasury and the Internal Revenue Service today announced that Social Security beneficiaries who are not typically required to file tax returns will not need to file an abbreviated tax return to receive an Economic Impact Payment. Instead, payments will be automatically deposited into their bank accounts.

“Social Security recipients who are not typically required to file a tax return do not need to take an action, and will receive their payment directly to their bank account,” said Secretary Steven T. Mnuchin.

The IRS will use the information on the Form SSA-1099 and Form RRB-1099 to generate \$1,200 Economic Impact Payments to Social Security recipients who did not file tax returns in 2018 or 2019. Recipients will receive these payments as a direct deposit or by paper check, just as they would normally receive their benefits.

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From: IRS

Sent: Friday, April 3, 2020 4:07 PM

To:

Subject: FW: REVISED - Economic Impact Payments - Dependents

Clarification:

The prior message I sent (today at 11:33am) used the child tax credit criteria for **2018** returns. However, Economic Impact Payments will only be based on the 2018 return if the 2019 return has not yet been filed. The revised message below contains the criteria for both 2018 and 2019 tax returns. We apologize for any inconvenience.

IRS District Congressional Liaison

Topic: Economic Impact Payments – Dependents

Key Points:

Many people are interested to know if their children will qualify for purposes of the Economic Impact Payments. If they do, it would mean an addition \$500 per qualifying child.

The IRS has not issued official guidance addressing this topic. However, the statutory language creating the payments includes the following text:

SEC. 6428. 2020 RECOVERY REBATES FOR INDIVIDUALS.

(a) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by subtitle A for the first taxable year beginning in 2020 an amount equal to the sum of—

- (1) \$1,200 (\$2,400 in the case of eligible individuals filing a joint return), plus
- (2) an amount equal to the product of \$500 multiplied by the number of **qualifying children (within the meaning of section 24(c))** of the taxpayer.

Section 24(c) is the provision of the Internal Revenue Code that creates the Child Tax Credit.

For the 2019 tax year, IRS [Publication 972](#) - *Child Tax Credit (for use in filing 2019 Returns)* can help you determine whether your child qualifies for the Child Tax Credit, and thus for the additional \$500 Economic Impact Payment. As stated in Pub. 972:

A child qualifies you for the CTC if the child meets all of the following conditions.

1. The child is your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them (for example, your grandchild, niece, or nephew).
2. The child was under age 17 at the end of 2019.
3. The child did not provide over half of his or her own support for 2019.
4. The child lived with you for more than half of 2019 (see *Exceptions to time lived with you*, later).
5. The child is claimed as a dependent on your return. See Pub. 501 for more information about claiming someone as a dependent.
6. The child does not file a joint return for the year (or files it only to claim a refund of withheld income tax or estimated tax paid).
7. The child was a U.S. citizen, U.S. national, or U.S. resident alien. For more information, see Pub. 519, U.S. Tax Guide for Aliens. If the child was adopted, see *Adopted child*, later.

For the 2018 tax year, the factors listed in IRS [Publication 972](#) – *Child Tax Credit (for use in filing 2018 Returns)* are:

A child qualifies you for the CTC if the child meets all of the following conditions

1. The child is your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them (for example, your grandchild, niece, or nephew).
2. The child was under age 17 at the end of 2018.
3. The child did not provide over half of his or her own support for 2018.
4. The child lived with you for more than half of 2018 (see *Exceptions to time lived with you*, later).
5. The child is claimed as a dependent on your return. See Pub. 501 for more information about claiming someone as a dependent.
6. The child does not file a joint return for the year (or files it only to claim a refund of withheld income tax or estimated tax paid).
7. The child was a U.S. citizen, U.S. national, or U.S. resident alien. For more information, see Pub. 519, U.S. Tax Guide for Aliens. If the child was adopted, see *Adopted child*, later.

In addition to the qualification that ties into the Child Tax Credit, there is another limitation in the statute.

(g) IDENTIFICATION NUMBER REQUIREMENT.—

(1) IN GENERAL.—No credit shall be allowed under subsection (a) to an eligible individual who does not include on the return of tax for the taxable year—

- (A) such individual's valid identification number,
- (B) in the case of a joint return, the valid identification number of such individual's spouse, and
- (C) in the case of any qualifying child taken into account under subsection (a)(2), the **valid identification number of such qualifying child**.

(2) VALID IDENTIFICATION NUMBER.—

(A) IN GENERAL.— For purposes of paragraph (1), **the term 'valid identification number' means a social security number** (as such term is defined in section 24(h)(7)).

(B) ADOPTION TAXPAYER IDENTIFICATION NUMBER.— For purposes of paragraph (1)(C), in the case of a qualifying child who is adopted or placed for adoption, the term 'valid identification number' shall include the adoption taxpayer identification number of such child.

(3) SPECIAL RULE FOR MEMBERS OF THE ARMED FORCES.— Paragraph (1)(B) shall not apply in the case where at least 1 spouse was a member of the Armed Forces of the United States at any time during the taxable year and at least 1 spouse satisfies paragraph (1)(A).

For the full text of this section, see P.L. 116-136, section 2201.

Once official guidance is available, it will be posted at [irs.gov/coronavirus](https://www.irs.gov/coronavirus). The IRS will work diligently to provide clarifying guidance. As soon as we are able to offer additional insight, we will share it with the public through [IRS.gov](https://www.irs.gov), news releases and targeted communications with partners such as yourself.

From: IRS

Sent: Friday, April 3, 2020 11:34 AM

To:

Subject: Economic Impact Payments - Dependents

Information for Congressional Staff

From IRS Legislative Affairs Division

Congressional Affairs Program

Key Points:

Many people are interested to know if their children will qualify as dependents for purposes of the Economic Impact Payments. If they do, it would mean an addition \$500 per qualifying child.

The IRS has not issued official guidance addressing this topic. However, the statutory language creating the payments includes the following text:

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(a) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by subtitle A for the first taxable year beginning in 2020 an amount equal to the sum of—

- (1) \$1,200 (\$2,400 in the case of eligible individuals filing a joint return), plus
- (2) an amount equal to the product of \$500 multiplied by the number of qualifying children (within the meaning of section 24(c)) of the taxpayer.

Section 24(c) is the provision of the Internal Revenue Code that creates the Child Tax Credit. IRS [Publication 972](#) can help you determine whether your child qualifies for the Child Tax Credit, and thus for the additional \$500 Economic Impact Payment. As stated in Pub. 972:

A child qualifies you for the CTC if the child meets all of the following conditions.

1. The child is your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, your grandchild, niece, or nephew).
2. The child was under age 17 at the end of 2018.
3. The child did not provide over half of his or her own support for 2018.
4. The child lived with you for more than half of 2018 (see Exceptions to time lived with you , later).
5. The child is claimed as a dependent on your return. See Pub. 501 for more information about claiming someone as a dependent.
6. The child does not file a joint return for the year (or files it only to claim a refund of withheld income tax or estimated tax paid).
7. The child was a U.S. citizen, U.S. national, or U.S. resident alien. For more information, see Pub. 519, U.S. Tax Guide for Aliens. If the child was adopted, see Adopted child , later.

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- (A) such individual's valid identification number,
- (B) in the case of a joint return, the valid identification number of such individual's spouse, and
- (C) in the case of any qualifying child taken into account under subsection (a)(2), the valid identification number of such qualifying child.

(2) VALID IDENTIFICATION NUMBER.—

(A) IN GENERAL.— For purposes of paragraph (1), the term 'valid identification number' means a social security number (as such term is defined in section 24(h)(7)).

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