

Your Stimulus Payment or Economic Impact Payment

A brief review—a compilation from several sources, including the IRS

The following is a review where tax payer stimulus payments stand. This will be a periodic review; as more information becomes available, the Credit Union will provide it to you.

Many people began receiving their Economic Impact Payment last week. The Internal Revenue Service (IRS) began distributing \$290 billion in direct cash payments to tens of millions of Americans on April 15. The Treasury Department said that the first payments would be made to Americans who received their 2018 and 2019 tax return refunds via direct deposit. If you filed a federal income tax return for 2018 or 2019 and provided the IRS with your direct deposit information, the IRS will use the information from your tax return to calculate your payment amount and send you check via banking information.

As of April 17, more than 80 million payments had gone out. The total number of payments that will be made is estimated at 171 million. More Economic Impact Payments will be issued via direct deposit in the weeks ahead; they will go to social security recipients, those receiving disability (SSDI), Supplemental Security Income (SSI), survivor benefits, or Railroad Retirement benefits and to other taxpayers who provide their banking information to the IRS.

If you filed a federal income tax return for 2018 or 2019 and did not provide the IRS with your direct deposit information and have not yet received your payment, you can go to:

<https://www.irs.gov/coronavirus/economic-impact-payments>

and use the **Get My Payment** to let the IRS know where to send your payment by direct deposit (i.e., provide the IRS your direct deposit information).

Those who do not have direct deposit information on file with the IRS will have to wait for a paper check to be disbursed (checks are not expected to be distributed for several weeks).

There have been a number of questions asked about when the ‘Get My Payment’ tool says my payment should have been deposited on April 15. **Why has it not been received it yet?** The IRS may have sent it electronically, however, your financial institution may not have processed it yet. Keep checking with them. If you do not receive your stimulus payment, you’ll have to wait for a letter from the IRS. The IRS will mail a letter to your last known address 15 days after sending your payment. The notice from the IRS should indicate the method by which your payment was made, the amount of the payment and a phone number for the appropriate point of contact at the IRS to report any failure to receive the money.

If you do not file a tax return, use the **Non-Filers: Enter Your Payment Info Here** (see the” https” address above) to provide information so you can get your payment. Only use this application if you **did not file** a 2018 or 2019 federal income tax return because your gross income was under \$12,200 (\$24,400 for married couples) or you **were not required** to file a 2018 or 2019 federal income tax return for other reasons.

Do not use this application if you receive Social Security retirement, disability (SSDI), survivor benefits, or Supplemental Security Income (SSI), or Railroad Retirement and Survivor Benefits.

Qualifying Income and Economic Impacts Payment Amount

The IRS will send out stimulus payments based on 2018 or 2019 tax returns, whichever is the latest tax return the IRS has on file (if your 2019 tax return is still process with the IRS, your 2018 tax return is used):

- Single adults with Social Security numbers who have an adjusted gross income of \$75,000 or less will receive a payment of \$1,200. If the tax payers adjusted gross income is over \$75,000, the payment decreases until it stops altogether for those earning \$99,000 or more.
- Married couples with no children earning \$150,000 or less will receive a total of \$2,400. If the taxpayers adjusted gross income is over \$150,000, the payment decreases until it stops altogether for married couples who have no children and earn \$198,000 or more.
- Head of household will receive a payment of \$1,200 if the head of household earned \$112,500 or less.
- Most taxpayers will get \$1,200 each, although some may get less (i.e., if they are over the maximum amounts listed above). For taxpayers with a qualifying child age 16 or under, an additional payment of \$500 will be issued to the taxpayer.

Generally, to receive a payment for a child claimed on your tax return, the child must:

- Be your son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of any of them (for example, grandchild, niece, or nephew).
- Be claimed as a dependent on your tax return.
- Be under age 17 at the end of the taxable year.
- Be a U.S. citizen, U.S. national, or U.S. resident alien.
- Have a valid SSN or an Adoption Taxpayer Identification Number (ATIN)

Other

- Do I have to pay income taxes on the amount of my payment? No.
- To find where your stimulus payment is and when it is will arrive, go to:

<https://www.irs.gov/coronavirus/get-my-payment>

Glitches and other issues (based on numerous FAQs by several news outlets and the IRS)

- Didn't we get a stimulus payment: if the IRS does not have a way to send you money electronically, the payment will be made when checks are issued—which is expected in several weeks. If you provided your direct deposit information to the IRS (i.e., on 2018 or 2019 tax return), then go to “Get My Payment” on the IRS website to see where your payment is. Remember, if your payment was sent electronically, your financial institution may not have processed it yet. Keep checking with your financial institution. If you don't get the money, you'll have to wait for a letter from the IRS; it will mail a letter to your last known address 15 days after sending your payment. The IRS notice will indicate the method by which your payment was made, the amount of the payment and a phone number for the appropriate point of contact at the IRS to report any failure to receive money.

- Many people have complained about a glitch on “Get My Payment” that does let them move forward because they did not owe any money to the IRS or they did not receive a refund for 2018 or 2019. The IRS says: “We are aware of the problem and...working to find a solution...we know how very much people need their money, and we are working to get it to them as quickly as we can.”
- If you did not receive your payment and had a refund anticipation loan (RAL) or refund anticipation check (RAC) with your 2018 or 2019 tax return on file with the IRS: When a taxpayer has a RAL or RAC, a virtual bank account is established solely for purposes of receiving the refund and facilitating the transaction. The account does not continue to exist, therefore most Economic Impact Payments will not reach the intended recipient. To fix the problem: enter your direct deposit information online at “Get My Payment,” or you can wait for the IRS to send you a check.
- My spouse and I received two payments, one for \$2,400 and one for me for \$1,200 as an individual. This can result to someone who is recently married and changed their name. For now, leave the money in the account (i.e., in this case, the \$1,200); do not use it—it is not yours. If the IRS does not reverse the payment, once you receive your payment letter you will have information about how to return the funds sent in error.
- The IRS announced that veterans and their beneficiaries who receive Compensation and Pension (C&P) benefit payments will automatically receive their stimulus payments. But “timing on the payments is still being determined,” the IRS said. Use “Get My Payment” to track your payment.
- Talking to someone at IRS about problems with your stimulus payment is not possible currently; the IRS doesn’t have the ability to accept calls during the pandemic.

IRS: “To protect the public and employees, and in compliance with orders of local health authorities around the country, certain IRS services such as live assistance on telephones, processing paper tax returns and responding to correspondence are extremely limited or suspended until further notice.”

- You sent in your 2019 tax return and it was being processed by the IRS. Then the pandemic hit and Congress passed the CARES—and, the IRS was still processing your 2019 tax return. You would receive a stimulus payment based on your 2018 adjusted gross income on your tax return (i.e., since the IRS has not finished processing you 2019 tax return). However, your 2019 adjusted gross income was less than you 2018 adjusted gross income, and it qualified you for a full stimulus payment while your 2018 adjusted gross income qualified you for a lower stimulus payment. This should be resolved in 2020, when you file your tax return for 2020. Your stimulus payment will be recalculated and you should receive any underpayment.