



U.S. Congressman Jimmy Panetta

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COVID-19 Action – Direct Monetary Payments

The CARES Act includes direct payments to Americans. These payments will provide Americans immediate relief that they can use to assist with rent or mortgage payments, health care or childcare costs, or help put food on the table. The IRS will deliver payments of up to \$1,200 for individuals, \$2,400 for couples, and \$500 per child under age 17.

The IRS will post all key information [here](#) as soon as it becomes available.

Who is eligible for a payment?

Single-filer taxpayers with an adjusted gross income up to \$75,000 will receive \$1,200 in direct payments, as will head-of-household filers up to \$112,500 and joint filers up to \$150,000. For those above these income limitations, the benefit gradually decreases \$5 for every \$100 they are above the limitation.

Social Security recipients, those with no taxable income, as well as those whose incomes are derived entirely from non-taxable programs, are still eligible for this relief as long as they have a Social Security Number.

How will by payment be determined?

2019 tax filings will determine the amount of the payments to individuals and families. 2018 returns will be used for residents that did not file in 2019.

The Social Security Administration or Railroad Retirement Board will share relevant beneficiary information with the IRS, but non-filers may need to take additional steps to ensure that their payment is received without interruption.

What identification requirements apply to receive payments?

Taxpayers must have Social Security Numbers for themselves and their qualifying children in order to receive payments. Undocumented immigrants without valid Social Security Numbers are not eligible for the payments.

When will the payments be distributed?

The Internal Revenue Service (IRS) will work to deliver payments quickly in the form of advance payments. For people who filed a federal income tax return in 2018 or 2019, payment processing will be based on payment or address information already on file with the IRS. Electronic distributions will be automatic to an account the payee authorized January 1, 2018 or later.

The IRS will make about 60 million payments to Americans through direct deposit in mid-April, as they already have their information on file.

About 3 weeks after those deposits are made the IRS will begin issuing paper checks to individuals at a rate of about 5 million per week.

The checks will be issued in reverse “adjusted gross income” order—starting with people with the lowest income first.

Are these payments recurring?

No. These are one-time payments. However, if your situation changes in 2020 due to your family growing or a loss of income, you may be able to receive the difference when you file your 2020 tax return.

Many individuals don't need to file a tax return. Are non-filers eligible for payments?

Yes. There is no earned income requirement to be eligible for a payment, but most non-filers will need to take additional steps to receive their payments.

Those who did not file a tax return in 2018 or 2019 must file a 2019 tax return, even if they have no income.

NOTE: Social Security Retirement beneficiaries and Social Security Disability Insurance (SSDI) beneficiaries will receive payments automatically, and do not need to file a return.

BUT: Supplemental Security Income (SSI) and VA Disability recipients must file a 2019 tax return in order to receive the direct payment.

The IRS will provide a portal for new filers to provide direct deposit information to receive their payment faster.

How will non-filers learn about and sign up for the payments?

The IRS will conduct a public awareness campaign to reach other non-filers, including harder-to-reach populations such as homeless Americans, and provide them with information on how they can access payments.

How will a person who has recently moved access payments?

The IRS will determine payment delivery systems for everyone entitled to payments.

What if I had a child in 2020?

Children born in 2020 are not reflected on 2018 or 2019 tax returns, and therefore won't be counted towards your eligibility for the advanced, automatic payments. However, you may be able to receive the difference when you file your 2020 tax return. I have written Treasury and IRS to ask them to provide a way for parents with newborns to access their child's benefit sooner.

Will the payments affect my eligibility for federal income-targeted programs?

No, the payment is considered a tax refund and is not counted towards eligibility for federal programs, such as Supplemental Nutrition Assistance Program (SNAP) benefits, Housing Choice (formerly Section 8) vouchers, or healthcare subsidies.