



Working Families FAQ

Updated 4/13/2020

Direct Payments - Basic Questions

1) Who is eligible?

Individuals who:

- Have a valid Social Security number,
- Adults who could not be claimed as a dependent of another taxpayer, and
- Had adjusted gross income under certain limits. This also includes those who have no income, as well as those whose income comes entirely from certain benefit programs, such as Supplemental Security Income benefits.

2) Who is not eligible?

Individuals won't qualify if any of the following apply:

- Your adjusted gross income is greater than
 - \$99,000 if your filing status was single or married filing separately
 - \$136,500 for head of household
 - \$198,000 if your filing status was married filing jointly
- You can be claimed as a dependent on someone else's return. For example, this would include a child, student or older dependent who can be claimed on a parent's return.
- You do not have a valid Social Security number.
- You are a nonresident alien.
- You filed Form 1040-NR or Form 1040NR-EZ, Form 1040-PR or Form 1040-SS for 2019.

3) How much are the relief check payments?

\$1,200 for individual or head of household filers, and \$2,400 for married filing jointly if they are not a dependent of another taxpayer and have a work eligible Social Security number with adjusted gross income up to:

- \$75,000 for individuals
- \$112,500 for head of household filers and
- \$150,000 for married couples filing joint returns

Payment is reduced by \$5 for every \$100 of income for incomes:

- \$75,000 and \$99,000 if their filing status was single or married filing separately
- 112,500 and \$136,500 for head of household
- \$150,000 and \$198,000 if their filing status was married filing jointly

4) When will the rebates be distributed?

As of 4/2/2020, the IRS will make about 60 million payments to Americans through direct deposit in mid-April (likely, the week of April 13th). 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.

About 3 weeks after those deposits are made (the week of May 4th), the IRS will begin issuing paper checks to individuals. The paper checks will be issued at a rate of about 5 million per week, which could take up to 20 weeks to get all the checks out.

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

5) How will payment be delivered for...

People who filed a tax return for 2018 or 2019?

You do not need to take any action. The IRS will automatically deliver payments, when available, by electronic direct deposit or by mailing a paper check.

People who DID NOT file a tax return for 2018 or 2019?

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. You can file a free return with the IRS at <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>

People who aren't typically required to file a tax return?

- **Social Security retirement, survivor and disability (SSD) beneficiaries and Railroad Retirement recipients**

You do not need to take any action. Recipients will receive their rebate just as they would their Social Security benefits, either by direct deposit or paper check.

The IRS will use the information on the Form SSA-1099 and Form RRB-1099 to generate Economic Impact Payments of \$1,200 to these individuals even if they did not file tax returns in 2018 or 2019.

- **Social Security retirement, survivor and disability (SSD) beneficiaries and Railroad Retirement recipients who have qualifying children under age 17**

People in this group who have qualifying children under age 17 can visit IRS.gov and use the "Non-filers: Enter Payment Info Here" tool to claim the \$500 payment per child.

Go to the IRS's *Non-Filers: Enter Payment Info* page at <https://www.freefilefillableforms.com/#/fd/EconomicImpactPayment>

- **People who receive Social Security retirement, survivors, or disability insurance (SSD) benefits and who DID NOT file a tax return for 2018 or 2019 and who have qualifying children under age 17**

These beneficiaries should proactively go to IRS website to ensure they also get the \$500 per dependent payment in addition to their \$1200 payment at: www.irs.gov/eip to enter their information instead of waiting for their automatic \$1,200 Economic Impact Payment.

If these Social Security beneficiaries in this group do not provide their information to the IRS soon, they will have to wait to receive their \$500 per qualifying child.

- **Social Security Income (SSI) recipients**

On April 15, the IRS and Treasury announced that SSI recipients will also receive payment automatically and do not need to take action.

- **Social Security (SSI) recipients who have qualifying children under age 17**

To receive the full payment for your dependent, go to the IRS's *Non-Filers: Enter Payment Info* page at <https://www.freefilefillableforms.com/#/fd/EconomicImpactPayment> and provide information about your qualifying children.

- **Any new beneficiaries since January 1, 2020, of either Social Security or SSI benefits, who did not file a tax return for 2018 or 2019**

To receive the full payment for you and your dependent, go to the IRS's *Non-Filers: Enter Payment Info* page at <https://www.freefilefillableforms.com/#/fd/EconomicImpactPayment>

- **Other non-filers like, low-income workers and certain veterans and individuals with disabilities who aren't required to file a tax return.** (Individuals who had gross income that did not exceed \$12,200 (\$24,400 for married couples) for 2019, or were not otherwise required to file a federal income tax return for 2019, and didn't plan to)

You can provide the necessary information to the IRS easily and quickly for no fee through the *IRS Non-Filers: Enter Payment Info* website at: <https://www.freefilefillableforms.com/#/fd/EconomicImpactPayment>.

After providing this information you won't need to take any additional action.

Additional Direct Payment FAQ

1) Will the IRS keep my payment to fulfill an outstanding tax obligation (owe back taxes) to the IRS?

No. the IRS will not keep the stimulus payment based on back taxes owed.

2) Will the IRS keep my payment if I owe child support?

Yes. The only administrative offset that will be enforced applies to those who have past due child support payments that the states have reported to the Treasury Department.

3) Are college students eligible for a relief check payment?

It depends. Only if they are not considered a dependent of their parents. Usually, individuals age between 17 and 24 are dependents if a parent(s) pays more than half of their support. Some young adults would qualify for a \$500 relief check if they were under the age of 17 at the end of 2018. The Congressman has signed on to be an official co-sponsor of a bill to close the relief check loophole.

4) Will the direct payment affect unemployment compensation?

No. These payments do not count as income and will not affect the receipt of unemployment.

5) Will direct payments affect my eligibility for income-based programs like SNAP?

No. These payments do not count as income or resources for means-tested programs. So receiving a rebate will not interfere with someone's eligibility for SSI, SNAP, Medicaid, ACA premium credits, TANF, housing assistance, or other income-related federal programs.

6) Do dependents, other than children under 17, qualify for \$500 per dependent?

No, the additional \$500 per child is limited to children under 17.

7) How will a person who has recently moved access rebates?

If you moved since you last filed, you can update your mailing address with the IRS by form or mail. It can take four to six weeks for a change of address request to be fully processed. For more information on how to submit an address change to the IRS go to:

<https://www.irs.gov/taxtopics/tc157>

8) How do I provide my direct deposit information to the IRS?

For individuals required to file a federal tax return, file your return and include the requested banking information. You can file a free return with the IRS at <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>

For individuals **NOT** required to file a return, fill out the simple tax form for non-filers through the *IRS Non-Filers: Enter Payment Info* website at: <https://www.freefilefillableforms.com/#/fd/EconomicImpactPayment>

9) I already filed my 2018 or 2019 return WITHOUT my direct deposit information? What should I do to provide my banking info?

If no payment or check has been issued, you can provide their banking information for direct deposit via a new IRS tool -- *Get My Payment* portal at: <https://www.irs.gov/coronavirus/get-my-payment>

10) Will the rebates affect my eligibility for federal income-targeted programs?

No, the rebate is considered a tax refund and is not counted towards eligibility for federal programs.

11) What identification requirements apply to receive rebates?

Taxpayers must have Social Security Numbers for themselves and their qualifying children in order to receive rebates. Taxpayers with ITIN are not eligible.

12) Where can I get more information?

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/eip](https://www.irs.gov/eip) rather than calling IRS assistors who are helping process 2019 returns.

Unemployment Insurance

General Guidance on CARES Act Provisions Implementation on the State level

(Questions regarding \$600 supplemental, extended unemployment for 13 weeks, self-employed/ independent contractor eligibility)

The State of New Jersey is authorized to expand these benefits. NJ DOL is working with US DOL on implementation which will detail how these new provisions will be made available to NJ workers.

What level of benefits will workers get in my state?

UC benefit levels vary widely from state to state. Data on state minimum and maximum UC benefits can be found [here](#). Additional information on state UC programs can also be found [here](#).

Are self-employed workers and workers in the gig economy eligible for unemployment compensation generally or the Federal Pandemic Unemployment Compensation benefit specifically?

It **depends on state law**, but self-employed and gig economy workers do not ordinarily have coverage under the unemployment compensation system and so are not eligible for benefits (in part because they do not have employers who contribute to the UC system). However, under the CARES Act, self-employed workers whose states make an agreement with the Department of Labor will receive Pandemic Unemployment Assistance based on their recent earnings and will also be able to receive the \$600 a week FPUC supplement on top of that benefit. States will be reimbursed for 100 percent of the cost of administering the benefits, as well as the benefits themselves.

How Much Pandemic Unemployment Assistance (PUA) Would Self-Employed Workers, Individuals About to Start Work, and Others Receive?

The amount would vary by state. All PUA recipients would be eligible for the \$600 a week federal supplement. They would also receive a base benefit calculated according to state benefit formulas and using recent information about their wages, but no lower than half the state's minimum regular UC payment.

What about tipped workers? Does their tip income count for UC?

Under federal law, tips are considered part of compensation for UC. However, states only have the tip income reported by employers, who sometimes underreport them, in violation of federal law. If employers fail to follow the law and do not accurately report tip income, it might lower state UC benefits for those workers, or, in extreme cases, cause them not to have enough

recent income to qualify for UC under state law. Under the CARES Act, tipped workers who qualify for UC will all receive the Federal Pandemic Unemployment Compensation, an additional \$600 a week payment, on top of their state UC payment like any other worker receiving UC benefits. Unemployed workers who do not have enough reported income to qualify for state UC payments but are able and available to work, but for COVID-19, would likely be eligible for a smaller federal payment, depending on their state's implementation of Pandemic Unemployment Assistance.

What about workers in the performing arts and other industries that were about to start new jobs and had them canceled due to the COVID-19 outbreak?

Workers who had a contract or other offer of employment suspended due to the COVID-19 outbreak would be eligible Pandemic Unemployment Assistance calculated by their state's UC program, and also for the \$600 a week FPUC supplement.