

COVID-19 CARES Act Stimulus Checks



In our attempt to keep everyone up to date on coronavirus information, here's a brief summary of the stimulus check amounts, and eligibility passed as part of the CARES ACT during the COVID-19 shutdown. For other information, support, and resources, visit the COVID-19 Resource Center section on eNetwork.

Credit allowed for 2020

New law. Credit allowed for 2020. Under the CARES Act, an eligible individual is allowed an income tax credit for 2020 equal to the sum of:

1. \$1,200 for individual filer
2. \$2,400 for joint filers
3. \$500 for each qualifying child of the taxpayer. The credit is refundable
4. Individuals who have no income, as well as those whose income comes entirely from non-taxable means (such as Social Security benefits) are eligible for the credit and the advance rebate

Eligibility for Credit

- An "eligible individual" is any individual other than a nonresident alien or an individual claimed as a dependent by another taxpayer for the tax year.
- Estates and Trusts are not eligible for the credit.
- Children claimed by their parents, even if they have enough income to file their own return, are not eligible
- If an individual was a dependent in 2019 but not in 2020, the individual will be able to claim the credit when they file their 2020 return.

Phaseout of Credit

The amount of the credit is reduced (but not below zero) by 5% of the taxpayers adjusted gross income (AGI) in excess of:

1. \$150,000 for a joint return
2. \$112,500 for a head of household
3. \$75,000 for all other taxpayers

Under these rules the credit is completely phased-out for a single filer with an AGI exceeding \$99,000 and for joint filers with no children with AGI exceeding \$198,000. For head of household with one child, the credit is completely phased-out when AGI exceeds \$146,500.

Do I need to file my 2019 tax return?

If an individual hasn't filed a 2019 tax return yet, the IRS will determine the amount of the rebate using the 2018 taxpayer's information. If no 2018 tax return has been filed, the IRS will use information from the individual's 2019 W2s, 1099s, Social Security Benefits, etc.

How will I get my Rebate Check?

1. IRS will initiate an electronic payment to any account to which the taxpayer authorized the delivery of their 2018 or 2019 tax refund or scheduled their electronic tax payment from. You will receive notice by mail that an electronic rebate was paid to your account with a phone number to report any failure to receive the payment.
2. IRS will mail a check to the address on your last filed tax return if no authorized bank account is available.