

## **Frequently Asked Questions –**

### **Economic Impact Payments for OY Students in WIOA Programs**

**What are Economic Impact Payments?** As part of addressing the economic impacts of the COVID-19 crisis, Congress has authorized people making less than \$75,000 to receive \$1,200 per adult and \$500 per child. The money is yours and is available to use as you see appropriate to mitigate the impact of the economic downturn resulting from the health crisis. As you review these FAQs, note that most income-qualified people will receive a payment if they have a Social Security Number, file an income tax return for 2018 or 2019; and have a bank account for the payment to be delivered to. These FAQs address other ways that you may be eligible for the payment. Please note, the information and opinions contained in this FAQ are for general information purposes only, are not intended to constitute legal or accounting advice and should not be relied on or treated as a substitute for specific advice relevant to your particular circumstances. Contact a qualified attorney or tax advisor with any specific fact based questions before making filings with the Internal Revenue Service.

For most Americans, no action is required. The IRS will use data from the most current tax returns or Social Security data to provide a rebate to Americans either via direct deposit (if such information is available) or through a paper check in the mail to the last address on file.

**How soon can I receive the Economic Impact Payment?** U.S. Treasury Secretary Steven Mnuchin said he hopes to distribute rebates to taxpayers who e-filed with direct deposit banking information within three weeks. Taxpayers receiving paper rebate checks may have to wait six to eight weeks to receive a paper check in the mail.

Treasury will be developing a web-based portal for individuals who have not e-filed their tax returns to provide their banking information to the IRS online. Taxpayers who e-file will be able to receive payments immediately as opposed to checks in the mail.

More information in English and Spanish is available from the IRS here:  
<https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here>

#### **I filed an income tax statement in 2018 or 2019 do I qualify for the \$1200 Economic Impact Payment?**

Yes. 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. Social Security recipients 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.

The majority of people who file tax returns do not need to take any action. The IRS will calculate and automatically send the economic impact payment to those eligible.

Treasury will use tax year 2019 returns if available. If a taxpayer has not filed for tax year 2019, Treasury can fall back on 2018 return information. For those relying on Social Security and Veterans benefits but who have not filed in 2019 or 2018, Treasury Secretary Steven Mnuchin announced that these beneficiaries will not have to submit a separate tax return to receive a rebate. The payment will be sent

directly to their bank account associated with those benefits. Other taxpayers who have not filed for the past two years should submit a tax return for 2018 or 2019 as soon as possible to receive their rebate.

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.

**Am I eligible for the \$1200 impact payment if I am not employed?** Yes, even filers with \$0 of income can file for the rebate. However, they must [file a tax return](#) to ensure the IRS can process the rebate. Additionally, they must have a Social Security Number and not be claimed as a dependent on another person's return.

**Am I eligible for the \$1200 stimulus payment if I am claimed as a dependent on my parents' or someone else's income tax filing?** No. You are not eligible for the Payment if you are a "dependent" on someone else's income tax filings. You may be eligible if your parent has not filed for 2019 or 2020 and do not claim you on those filings.

The CARES Act uses the Child Tax Credit (CTC) [eligibility standards](#). All qualifying children who are under age 17 who have not provided for more than half of their own expenses and lived with the taxpayer for more than six months are eligible. This means that adult dependents, such as college students aged 17 and over, and elderly dependents do not qualify for the \$500 rebate. Adult dependents do not qualify for their own rebate either.

**I have not filed an income tax statement in 2018 or 2019, how can I qualify for the \$1200 Impact Payment?** The IRS urges anyone who has not yet filed a tax return for 2019 to file as soon as they can to receive an economic impact payment. Taxpayers should include direct deposit banking information on the return. The IRS has recommended that you e-file as soon as possible and has specifically advised taxpayers not to wait until July 15, the extended deadline from the usual April 15 date.

The IRS has stated that those who filed their taxes electronically and provided direct deposit information will get their money the fastest.

Individuals with a Social Security Number (SSN) and who are not dependents may receive \$1,200 with an additional rebate of \$500 per qualifying child, if they have adjusted gross income (AGI) under \$75,000. The IRS encourages filers not to wait until the July 15 deadline.

For those relying on Social Security and Veterans benefits but who have not filed in 2019 or 2018, Treasury Secretary Steven Mnuchin announced that these beneficiaries will not have to submit a separate tax return to receive a rebate. The payment will be sent directly to their bank account associated with those benefits. Other taxpayers who have not filed for the past two years should submit a tax return for 2018 or 2019 as soon as possible to receive their rebate.

You also qualify for the payment without filing an income tax return if you have filed a Form SSA-1099 or Form RRB-1099. 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 and Social Security recipients 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.

Social Security beneficiaries will also receive their payment through the bank account associated with receiving benefits.

Individuals who did not file for taxes in 2018 or 2019 and who receive [Supplemental Security Income \(SSI\)](#) but not Social Security benefits can receive the payments if they file a 2019 federal tax return.

**I am married, do we both qualify for the \$1200 Payment?** Yes. If your combined gross income is less than the allowed \$150,000 for couples filing jointly.

**I have a child, can I qualify for the \$500 dependent payment?** The CARES Act uses the Child Tax Credit (CTC) [eligibility standards](#). All qualifying children who are under age 17 who have not provided for more than half of their own expenses and lived with the taxpayer for more than six months are eligible.

**I am married with a child, do both parents qualify for the \$500 dependent payment?** No. Only one parent may claim the child as a dependent under the Child Tax Credit [eligibility standards](#).

**I am unmarried with a child, do both parents qualify for the \$500 dependent payment?** No. Only the one parent who claims the child as a dependent under the Child Tax Credit [eligibility standards](#).

**I don't have a checking account, can I still qualify for the impact payment?** You may. The regulations are still being developed for mailed checks. But many financial institutions do not require more than a \$1 minimum to open an account. This may be the easiest way to receive the payment. 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 don't have a Social Security Number, can I still qualify for the \$1200 impact payment?** A Social Security Number is one of the requirements for filing Federal Income Tax returns. If you qualify for a Social Security Number, this may be the time to file for it. The IRS has indicated that individuals who are undocumented are excluded from the federal payments.

**I am undocumented, do I qualify for any other resources?** On April 15, California's Governor Newsom announced one-time disaster relief assistance for undocumented Californians impacted by COVID-19, who are ineligible for most other forms of pandemic assistance, including direct assistance under the Federal CARES Act and unemployment insurance.

Eligible Californians may receive one-time COVID-19 disaster relief assistance at a value of \$500. A limit of two adults per household can receive this assistance (maximum assistance of \$1,000 per household).

The CA Department of Social Services (CDSS) will select immigrant-serving community-based nonprofit organizations to conduct targeted outreach, application assistance, and delivery of the disaster relief assistance to eligible individuals. The selected organizations will deliver the assistance directly to

qualified individuals. CDSS' goal is for Californians to be able to access this relief through local community-based nonprofits starting mid-May 2020. A final date will be provided in the coming week.

New York City announced a similar cash resource available to undocumented immigrants.

<https://www1.nyc.gov/site/immigrants/help/city-services/resources-for-immigrant-communities-during-covid-19-pandemic.page>

Resources for undocumented immigrants are available from local and regional organizations in several states. A resource for identifying programs is:

<https://www.informedimmigrant.com/guides/coronavirus/>

**My only income is my stipend from the Department of Labor/YouthBuild/Job Corps, can I file an income tax return?** Yes. You can file an income tax return to be eligible for the Impact Payment. Each of the federal programs is different and you should check with yours to determine whether the stipend is considered income or not. You can file an income tax return without income and may be eligible for other resources from the Federal or State Governments.

**If I make more income in 2020, do I have to pay any amount back?** No, the IRS treats these Impact Payments as tax credits and they will not have to be paid back and it is not considered taxable income.