# ECONOMIC IMPACT PAYMENT FREQUENTLY ASKED QUESTIONS (FAQs)

### Q: If an individual has no recent tax filings, will they receive the Economic Impact Payment under the CARES Act? What if they receive Social Security Benefits?

**A:** If you did not file a tax return in 2018 or 2019, but you receive Social Security benefits, you will automatically receive the Economic Impact Payment and you will receive it the same way you receive your Social Security benefit.

You can also file your 2019 taxes now. If you happen to owe taxes for 2019, please note that the IRS extended the deadline for both filing and paying federal taxes. As a result, you can file now and delay your payment until the extended deadline of July 15, 2020.

Though it had been accepting direct deposit information through its "Get My Payment" portal, the IRS stopped accepting new direct deposit information submissions on May 13, 2020. If you are a tax filer who did not provide direct deposit information in your most recent tax filing, and who missed the May 13, 2020 deadline for submitting through the "Get My Payment portal, you will need to wait for your Economic Impact Payment check in the mail.

### Q: What about if I receive other kinds of benefits, such as Supplemental Security Income (SSI) or Veterans benefits?

**A:** If you receive Supplemental Security Income (SSI), VA benefits, or Railroad Retirement benefits, **you will automatically receive your \$1,200 Economic Impact Payment**. The payment will come from the IRS, not the Social Security Administration or Veterans Administration, and you will receive it just as you usually receive your benefits.

However, there is an extra step required to claim \$500 for any eligible children. For those who receive Social Security retirement or disability benefits, VA benefits, Railroad Retirement benefits, or SSI, who also have a qualifying child (a dependent under the age of 17), you must use the IRS's portal for non-tax filers in order to claim the \$500 payment for children.

#### Q: I'm having trouble with the IRS web-based portals. What should I do?

**A:** Please check the <u>IRS's website</u> to see which of the IRS portals is right for your situation to provide direct deposit information to the IRS. Note that the deadline for submitting direct deposit information through the "<u>Get My Payment</u>" portal was May 13, 2020. If you are a tax filer who did not provide direct deposit information in your most recent tax filing, and who missed the May 13, 2020 deadline for submitting through the "Get My Payment portal, you will need to wait for your Economic Impact Payment check in the mail.

Unfortunately, because of high demand, the IRS's portals have experienced technical difficulties that prevent people from being able to enter their information or check the status of their payment. If you have trouble accessing the sites, I encourage you to keep trying. Please note that if you are trying to check your payment status, this information is only updated once a day.

If you have used the "Get My Payment" portal but received a message that your payment status is "not available," you may have received this message for the following reasons:

- You are not eligible for a payment.
- You are required to file a tax return and have not filed in 2018 or 2019.
- You recently filed your return or provided information through the Non-Filers portal. Your payment status will be updated when processing is completed.
- You are an SSA or RRB Form 1099 recipient, SSI or VA benefit recipient. The IRS is working with your agency to issue your payment directly. Your payment status is not available on the IRS website.

If you have additional questions about the status of your Economic Impact Payment or the amount received, please contact the IRS Economic Impact Payment helpline at 800-919-9835.

#### O: Are the Economic Impact Payments counted as taxable income?

**A:** No. The Economic Impact Payments authorized by the *CARES Act* are not counted as taxable income. You will not need to pay taxes on this payment in 2020, and the amount of the payment will not impact your federal tax refund for 2020. You also do not need to repay the payment or any potential overpayment that you may receive. The payments are also not treated as taxable income by the Hawaii Department of Taxation.

# Q: If a taxpayer has a child that was born since January 1, 2020 are they eligible as a dependent for the \$500 Economic Impact Payment?

**A:** Yes, however because the Treasury will use your 2019 tax return as the basis for sending payments, you will not automatically receive a \$500 payment for children born in 2020. Instead, you will be able to claim a \$500 tax credit for any children born in 2020 when you file your 2020 taxes.

# Q: If a taxpayer has a dependent who was 16 years old on December 31, 2019 but has since turned 17, are they eligible as a dependent for the \$500 Economic Impact Payment?

**A:** Yes. For the purposes of sending out Economic Impact Payments, the Department of Treasury will consider your 2019 tax filing, or if you have not yet filed taxes in 2019, your 2018 filing. If the dependent was under 17 years old at the end of 2019, and was included as a dependent on either the taxpayer's 2019 tax filing (or if not yet submitted, their 2018 tax filing) the dependent is eligible. You will not have to repay any potential overpayment when you file your 2020 taxes.

#### Q: Are parents with adult dependents eligible for the \$500 rebate?

**A:** No. The *CARES Act* directs the U.S. Department of the Treasury to make a one-time payment of up to \$1,200 to eligible individuals (joint filers receive up to \$2,400), plus \$500 per child under 17 years old. Unfortunately, dependents who are 17 years and older are not eligible for the \$500 payment.

### Q: Will I receive the Economic Impact Payment if I am a U.S. citizen living in another country?

**A:** Yes. If you are a U.S. citizen living abroad, you will receive a Economic Impact Payment as long as you meet all the qualification criteria for the program. You will receive the payment in the bank account or at the address you used to file your latest U.S. tax return.

# Q: If I used a reloadable prepaid debit card to file my taxes, will I receive the Economic Impact Payment by direct deposit?

**A:** Unfortunately, the Treasury Department has not yet issued guidance on whether people can receive their payment on a reloadable prepaid debit card.

#### Q: Will all U.S. permanent residents receive the Economic Impact Payment?

**A:** The *CARES Act* allows lawful permanent residents to receive the payment, as long as they have a Social Security number. For new U.S. permanent residents without a Social Security number, they must apply for one with the Social Security office in order to receive their payment.

# Q: What if my 2018 income was under the Economic Impact Payment threshold, but my income is above it for 2019?

**A:** The Department of Treasury will consider your income from 2019 for the purpose of determining whether you are eligible for the Economic Impact Payment. However, if you have not filed for 2019, your 2018 income will be used instead. If you would like the Department of Treasury to use your 2019 income, you can file your 2019 taxes now.

### Q: Is eligibility for Economic Impact Payment based on total income or adjusted gross income?

**A:** The Department of Treasury will consider a person's adjusted gross income for the purposes of determining whether someone is eligible for an Economic Impact Payment.

#### Q: When will I receive the Economic Impact Payment?

**A:** The IRS began distributing payments on April 13 to taxpayers who included their direct deposit banking info in their tax return. While many Americans have received their money, the IRS will continue to distribute the rest of the payments in the following weeks. Taxpayers receiving physical checks may start to receive their checks as early as May, but may have to wait up to five months to receive their payment. If you would like to check the status of your payment, the IRS has developed a portal for tax filers to track their Economic Impact Payment.

If you have additional questions about the status of your Economic Impact Payment or the amount received, please contact the IRS Economic Impact Payment helpline at 800-919-9835.