



# MARTIN

UNITED STATES SENATOR *for* NEW MEXICO

# HEINRICH

## **INFORMATION ON DIRECT PAYMENTS TO INDIVIDUALS OFFICE OF U.S. SENATOR MARTIN HEINRICH**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act directs the Department of the Treasury to make a one-time direct payment to individuals to help them recover from the economic impact of the COVID-19 pandemic. This program is being run through the IRS and additional and updated information can be found on their webpage. <https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know>

### **Payment Amounts**

- Individuals receive \$1,200 (joint filers receive \$2,400) plus \$500 per child under 17 years old.
- Benefits start to phase out for those with incomes exceeding \$150,000 for married couples, \$75,000 for singles, and \$112,500 for single parents.
- With the phase-out, payments will not go to single filers earning more than \$99,000; head-of-household filers with one child, more than \$146,500; and more than \$198,000 for joint filers with no children.
- Your income is based on your 2019 tax return; if you did not file taxes in 2019, the Treasury will use your 2018 tax return.
- These direct payments are not taxable income.
- If you did not file a tax return in those years, you will have to file a tax return, unless you are currently receiving Social Security. You can find out how to file a return for free at [www.irs.gov](http://www.irs.gov)

### **How will you receive your payment?**

- If you filed a tax return in 2018 for the year 2017 or 2019 for the year 2018 you will receive the rebate automatically.
- Your 2018 filing will only be used if you did not file in 2019.
- The IRS will use your tax return information to ensure you meet the eligibility requirements and do not exceed the phase-out cap.
  - If you provided bank account information to receive your tax refund as a direct deposit, you will receive your rebate that way.
  - If you did not provide information for direct deposit, you will be mailed a rebate check to the address provided on your 2018 or 2019 tax return, whichever you filed most recently.
  - After the payment is made, you will receive a notification in the mail from Treasury within 15 days.

- If you do not fit within one of these categories you can file a tax return now to receive your payment (to file a return for free, please go to [www.irs.gov](http://www.irs.gov)).

### **Social Security Beneficiaries**

- Social Security beneficiaries who are not typically required to file tax returns will not need to file an abbreviated tax return to receive an Economic Impact Payment.
- Instead, payments will be automatically deposited into their bank accounts.
- The IRS will use the information on the Form SSA-1099 and Form RRB-1099 to generate \$1,200 Economic Impact Payments to Social Security recipients who did not file tax returns in 2018 or 2019.
- Recipients will receive these payments as a direct deposit or by paper check, just as they would normally receive their benefits.

