

CASH PAYMENTS

ABOUT CASH PAYMENTS

As a result of the CARES Act signed into law on March 27th, most American adults will receive a cash payment from the federal government in the coming weeks to help alleviate the economic impact of the coronavirus crisis. The payment is \$1,200 for each adult, plus an additional \$500 for each dependent under 17 years-old. There is no minimum income threshold or requirement to receive the rebate. However, the rebate phases out for individuals with incomes of: \$75,000 or more if your income tax filing status is "single"; \$112,500 or more if your income tax filing status is "head of household"; and \$150,000 if your income tax filing status is "married filing jointly".

All adults with a Social Security Number who are U.S. residents and meet these income thresholds are eligible, including individuals on Social Security, receiving disability benefits, and receiving unemployment compensation.

WHO QUALIFIES?

Over 92% of single tax filers in New Jersey will receive payments up to \$1,200 and eight-in-ten joint filers in New Jersey will receive up to \$2,400. An additional \$500 payment will be distributed to eligible households for each qualifying child under age 17.

HOW TO GET YOUR CASH PAYMENT

The cash payment is not something you need to apply for. It will be distributed to you automatically.

If the IRS already has your bank account information because you filed your taxes in 2019 or 2018, you don't need to do anything. The IRS will transfer the money to you and determine the amount based on the recent income tax data it already has on file. If the IRS has your bank account information on file, you will receive the money through direct deposit. If the IRS does not have your bank account information on file, a check will be mailed to the address provided to the IRS on your most recent tax return. In the coming weeks, the U.S. Department of 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.

The IRS will post all key information on [IRS.gov/coronavirus](https://www.irs.gov/coronavirus) as soon as it becomes available.

Social Security recipients do not need to take any action in order to receive a payment, even if they did not file a tax return this year or last year. Recipients will receive these payments as a direct deposit or by paper check, just as they would normally receive their benefits.

FREQUENTLY ASKED QUESTIONS: CASH PAYMENTS

Who qualifies to receive a cash payment and how much will an individual receive?

All U.S. citizens with Social Security numbers who meet the income thresholds qualify for direct cash payments. Individuals receive up to \$1,200, and married couples receive up to \$2,400, plus an additional \$500 for each child dependent under age 17.

What are qualified income levels based off of?

There is no minimum qualified income threshold or requirement to receive the rebate. However, the rebate phases out at a 5 percent rate above adjusted gross incomes of \$75,000 for single filers, \$112,500 for heads of household, and \$150,000 for joint filers. Therefore, all individuals earning less than \$99,000 and joint filers earning less than \$198,000 will receive at least partial payments.

Can those collecting Social Security or disability receive a check?

Yes. Social Security recipients do not need to take any action in order to receive a payment, even if they did not file a tax return this year or last year. Recipients will receive these payments as a direct deposit or by paper check, just as they would normally receive their benefits.

Will SSA administer the funds to my EBT/Debit card that I receive my SSA benefits through?

The IRS is sending out the rebates via direct deposit or checks.

How does an individual claim their check?

If you filed a tax return in 2018 or 2019, you do not need to do anything additional to receive your payment. The IRS will send out rebates automatically via direct deposit information on file or to the address provided on your last tax return submitted to them.

What if I haven't filed my taxes recently?

The Treasury Department has said that they will make available a simplified return for individuals who do not typically need to file. More information will be made available on [irs.gov/coronavirus](https://www.irs.gov/coronavirus).

How long will it take for this check to be delivered?

According to the IRS, rebates sent via direct deposit will take a few weeks. Rebates sent via checks may take longer.

Will I be taxed on this check?

No, rebates are not taxable by the federal government.

Will I be eligible if I haven't finished filing my 2019 taxes?

You need to have filed either a 2018 tax return or a 2019 tax return. You can file a 2019 tax return now to claim the rebate.



Will I be eligible if I have a lien against me, but I am in non-collect status?

Yes. Rebates will not be subject to garnishment, except if back child support is owed.

I withdrew my retirement in 2018 - so my income that year was inflated. Is there any waiver for one-time sources of income?

In this case, the taxpayer should file a 2019 tax return.