

# FAQs: Economic Impact Payments

By: Low Income Taxpayer Clinic at Legal Aid of Arkansas

Updated April 14, 2020



## **What are economic impact payments?**

Under the CARES Act, the IRS will be making non-taxable “economic impact payments” (EIP) in the coming months to millions of Americans. The payments are meant to help individuals and families during this time of economic uncertainty.

## **How much will I receive?**

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 on the tax return.

## **Who is an eligible taxpayer for the economic impact payment?**

Tax filers with adjusted gross income up to \$75,000 for individuals and up to \$150,00 for married couples filing jointly will receive the full payment. Young adult dependents do not get the EIP.

## **When will I receive my economic impact payment?**

The IRS began to issue EIPs on April 9. The payments will go out over several months.

## **What do I need to do to receive an economic impact payment?**

No action is required to receive payment for most people, because the IRS will use information from 2019, or 2018, tax returns. File your 2018 and 2019 returns as soon as you can.

## **How will the IRS know where to send my payment?**

If you have already filed your 2019 tax return, 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 return to calculate the payment. The economic impact payment will be deposited directly into the same bank account reflected on the tax return.

## **What if the IRS does not have my direct deposit information?**

The U.S. Dept. of Treasury plans to develop a web-based portal for individuals to provide their banking information online, so that individuals can receive payments immediately rather than checks in the mail. If the IRS does not have bank information, they will send checks.

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## How can I change my mailing address with the IRS?

The best way to change your address is to file a tax return or an extension request. If you cannot file those forms, then complete [Form 8822](#) and mail it to the address found on the form.

## I am a Social Security beneficiary. Do I need to file a 2019 tax return?

No. If you are a recipient of Social Security benefits, you will not need to file a 2019 tax return to receive an economic impact payment. The IRS will deposit into your bank account.

## I receive SSI or Veterans Administration benefits. Do I need to file a 2019 tax return?

If you receive SSI or Veterans Administration benefits, you can use the non-filer tool to claim the EIP: [www.irs.gov/coronavirus/non-filers-enter-payment-info-here](http://www.irs.gov/coronavirus/non-filers-enter-payment-info-here)

## Where can I find accurate, up-to-date information about the economic impact payments?

Your best source of accurate information is the IRS website: [www.irs.gov/coronavirus](http://www.irs.gov/coronavirus)

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Please call Legal Aid of Arkansas at 1-800-967-9224 ext. 6304 with questions about the economic impact payments or help with tax problems with the IRS.

Find more information and resources at

[www.arlegalservices.org/covid-19](http://www.arlegalservices.org/covid-19)

