

Indiana Legal Services, Inc



Using the law to fight poverty, empower clients, and improve access to justice.

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COVID-19: Stimulus Payment Information

The Federal CARES Act was signed into law on March 27, 2020 in response to the ongoing COVID-19 emergency. There are several provisions related to employment, student loans, etc. This section discusses the stimulus money (also known as a "rebate") for eligible individuals and families.

Please note, information on these payments changes rapidly. For the most up-to-date information from the IRS, [click here](#).

Who is eligible for this money?

- Single Americans may receive \$1200, married couples \$2450 and parents may receive \$500 for each child under 17. Payments will phase out at certain income thresholds. **As of April, payments have started to arrive.** To estimate your possible payment amount, [click here](#).
- Money will come via the IRS as a "tax credit." The IRS will use 2019 taxpayer forms to determine amount to be sent. If 2019 taxes have not been filed yet, the IRS will use information from 2018 forms. If you have not filed 2019 or 2018 returns, **do so immediately**. For more information on tax issues, including helpful links, see our website [here](#).
- **For people on social security who did not file 2019 or 2018 tax returns.** If your income is low enough, you may also receive the money. You do not need to file a 2018 or 2019 tax return. The government will use information from your 1099 to determine if and where to send the funds.
- **UPDATE:** If you are on SNAP, Medicaid and you did not file 2018 or 2019 tax returns, **you must file a form with the IRS by October 15th 2020** or you may lose your benefits. [Learn more at the IRS website here.](#)

How do I get money for my child?

- If you filed taxes for 2019 or 2018, you will get \$500 for each child under 17 who you claimed as a dependent.
- If you didn't file taxes but will get an automatic payment, you need to apply for the child payment if the child was not claimed on someone else's tax returns and has a social security number. You can apply for the payment [here](#).

How will I get the payment?

- If you filed taxes for 2019 or 2018 and provided direct deposit information on your tax return, the payment will be direct deposited.
- If you didn't provide direct deposit information or will automatically get a payment because you receive social security, a check will be mailed to you. The check will be sent to the address on your most recent tax return or on the address Social Security has on file for you. You can change your mailing address with the IRS [here](#).

Can the government withhold some or all of this check to pay a debt owed?

- Generally, the government may not withhold this money to pay back a debt owed to the IRS, Social Security, etc. However, part or all of this money may be withheld to pay a child support obligation.

Will I have to pay the money back?

- No. the payment is considered an advance tax credit and you do not have to pay it back and it will not be deducted from your future taxes.

Will the payment affect my Medicaid, SNAP, or SSI?

- For public benefits programs, and that should include Medicaid, SNAP, and SSI, federal law says federal tax refund payments are not counted as income when received and are not counted as a resource for the 12 months after receipt. This payment should be treated the same.

I was sued for a consumer debt (for example a credit card), will the creditor be able to take this payment?

- A creditor may not be able to take this money before it is sent to your bank. However, if your bank account is frozen, the creditor may try to take some or all of this money. You may be able to stop this from happening by asking the Court to release or stop a bank freeze as you need the money for the "necessary comforts of life." If you are worried that your check could be seized by a creditor, we may be able to help. [Click here to learn how to apply for legal help.](#)

Will the payment hurt my immigration status or make me a public charge?

- No. The payment does not count towards Public Charge for immigration purposes.
- The payment will not impact your immigration status, but your household's immigration status may impact your payment. The federal law was designed to not give a payment to any household who has someone who uses a Taxpayer Identification Number (ITIN) on their federal taxes. This includes:
 - Individuals who file taxes with an ITIN
 - Married couples who file taxes with one social security number and one ITIN

- Households who file taxes with a dependent who has an ITIN
- If you are a married couple who filed taxes jointly but only one person has a social security number, you may be able to amend your taxes to Married Filing Separately before July 15, 2020.

Be wary of scams.

- Individuals may be looking for opportunities to scam you out of your stimulus payment. The Federal Trade Commission has provided information about this.

For more resources related to COVID-19 legal issues, [click here](#).

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<http://www.indianalegalservices.org/node/1031/covid-19-stimulus-payment-information>

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