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# All You Wanted To Know About Those Tax Stimulus Checks But Were Afraid To Ask



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Taxes

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(Updated: March 30, 2020. And if you're looking for specifics about high school and college students, [check out this piece.](#))

COVID-19 continues to impact the United States, the federal government is taking action to ease the burden on taxpayers. Most recently, the Senate [passed](#) a massive

As with anything tax-related, there’s a little bit of confusion. To help you sort it out, here are a few questions and answers:

**When will I get my check?** Checks are supposed to be produced “as rapidly as possible.” Mnuchin has hinted they will come in April, but it’s been suggested that could take up to two months. One thing that is true: if you use direct deposit, you’ll get your money faster.

Today In: Taxes

**How big will my check be?** Checks will be \$1,200 per adult - or \$2,400 for married couples filing jointly - and an additional \$500 per child.

**Are there income limits on checks?** The amount of the checks would start to phaseout for those earning more than \$75,000 (\$150,000 for joint returns and \$112,500 for heads of household). This is adjusted gross income (AGI), not taxable income - so before your standard or itemized deductions. You’ll see your number on line 8(b) of your form 1040:

<b>Standard Deduction for—</b> <ul style="list-style-type: none"> <li>• Single or Married filing separately, \$12,200</li> <li>• Married filing jointly or Qualifying widow(er), \$24,400</li> <li>• Head of household, \$18,350</li> <li>• If you checked any box under Standard Deduction, see instructions.</li> </ul>	<b>1</b>	Wages, salaries, tips, etc. Attach Form(s) W-2		<b>1</b>		
	<b>2a</b>	Tax-exempt interest	<b>2a</b>	<b>b</b>	Taxable interest. Attach Sch. B if required	<b>2b</b>
	<b>3a</b>	Qualified dividends	<b>3a</b>	<b>b</b>	Ordinary dividends. Attach Sch. B if required	<b>3b</b>
	<b>4a</b>	IRA distributions	<b>4a</b>	<b>b</b>	Taxable amount	<b>4b</b>
	<b>c</b>	Pensions and annuities	<b>4c</b>	<b>d</b>	Taxable amount	<b>4d</b>
	<b>5a</b>	Social security benefits	<b>5a</b>	<b>b</b>	Taxable amount	<b>5b</b>
	<b>6</b>	Capital gain or (loss). Attach Schedule D if required. If not required, check here				<b>6</b>
	<b>7a</b>	Other income from Schedule 1, line 9				<b>7a</b>
	<b>b</b>	Add lines 1, 2b, 3b, 4b, 4d, 5b, 6, and 7a. This is your <b>total income</b>				<b>7b</b>
	<b>8a</b>	Adjustments to income from Schedule 1, line 22				<b>8a</b>
		<b>b</b>	Subtract line 8a from line 7b. This is your <b>adjusted gross income</b>			<b>8b</b>
	<b>9</b>	Standard deduction or itemized deductions (from Schedule 7)				
	<b>10</b>	Qualified business income deduction. Attach Form 8995 or Form 8995-A	<b>10</b>			
	<b>11a</b>	Add lines 9 and 10			<b>11a</b>	
	<b>b</b>	Taxable income. Subtract line 11a from line 8b. If zero or less, enter -0-			<b>11b</b>	

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**Wait, how does a phaseout work?** Phaseout means that the benefit goes down as income goes up. In this case, for every \$100 of income above those thresholds, your check will drop by \$5. So, if you are a single filer earning \$75,100, your check will be

completely (meaning that you'll get nothing) once you hit \$99,000 as a single filer, \$198,000 as a married couple filing jointly, or \$136,500 for heads of household.

**What about limits on kids?** There are no limits on the number of children that qualify. The definition of child will be the same as for the [child tax credit](#) (you'll find the age and other requirements at that link).

**Will I need a Social Security Number to get a check?** Yes. Or in the alternative, an adoption taxpayer identification number. Ditto for spouses and kids.

**So how does this work? Do I need to file anything to get my check?**

Technically, the checks are advances of refundable credits. Treasury will advance your check based on your most recently filed tax return (2018 or 2019 tax return). If you haven't filed a tax return, and your income is from Social Security benefits, the bill allows Treasury to use the information on your 2019 Form SSA-1099, *Social Security Benefit Statement*, Form RRB-1099, *Social Security Equivalent Benefit Statement*. However, IRS has signaled they might require seniors to file returns after all. Check out [this piece for more](#).

**Okay, I don't understand. What is a refundable tax credit?** A refundable credit means that you can take advantage of the credit even if you do not owe any tax. Unlike with a nonrefundable credit, if you don't have any tax liability, the "extra" credit is not lost but is instead refunded to you.

In this case, the stimulus check acts like a refund that you get in advance based on your 2020 income. That's confusing because you don't know how much you're going to earn in 2020, but it's why the IRS is using earlier returns. But this advance payment on the credit does not affect your "normal" tax refund for 2020: you won't lose out on your expected tax refund for 2020 with the check.

**What if I don't get the right amount?** When you file your 2020 tax return, the IRS should compare numbers. If you should have gotten a check and didn't, or if you should have gotten more than you did because the IRS didn't know something important (like you have a kid), you should get more money. If the numbers on your 2020 tax return

**Is my check taxable?** No. This is not taxable income.

**What if I am expecting a refund for the 2019 tax year?** Your 2019 refund will not be affected by the stimulus check.

**How will I get my check?** Direct deposit, if you're lucky. The IRS will deposit your payment directly into the same banking account you used for direct deposit on your last filed return.

**But what if the IRS doesn't have my direct deposit information?** According to the IRS, the 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. It's not up yet: It's coming.

**What if I've moved?** Under the law, the Treasury must send notice of the payment by mail to your last known address. The notice will include how the payment was made and the amount of the payment. The notice will also include a phone number for the appropriate point of contact at the Internal Revenue Service (IRS) if you didn't receive the payment. You can help make sure that it goes to the right place by updating your address after a move. Usually, you'd do that on your tax return, but you can also submit a [federal form 8822, Change of Address](#) (downloads as a PDF). It generally takes four to six weeks to process a change of address.

**What if I haven't filed for 2018 and 2019?** Do it soon, even if you have a simple, zero return. And don't forget to include your direct deposit banking information on your return.

**What about retired folks?** Retired seniors are eligible so long as they meet the other criteria (Social Security numbers, income thresholds, etc.). As noted above, if you depend on Social Security but normally don't file a tax return, the law directs the Treasury to rely on your SSA-1099 form (or RRB equivalent) to figure and send your check. However, IRS has signaled they might require seniors to file returns after all. Check out [this piece for more](#).

entirely from non-taxable means-tested benefit programs, such as SSI benefits. I've seen a lot of confusion about this: it's because one of the original proposals limited the checks to those who earned income. *This is no longer the case.*


**Will I still get the check if I owe the IRS some money?** Yes. If your refund would normally be seized to pay a tax debt, that shouldn't happen here. Shouldn't. Assuming it works as planned.

**What if my check is normally seized for child support?** Child support is an exception to the "we won't offset your check" rule. Under the law, your check can be seized for child support arrears.

**This is a done deal, right?** Yes. It passed [in the Senate on Wednesday night](#) and the House on Friday. The President has signed it.

**So no changes?** I didn't say that. There could be additional guidance from the IRS. I'll let you know by updating this page.

**Not that I don't trust you, but where can I find this in writing?** You can read the Congressional Record, which notes the discussion about the checks, the vote and the text [here](#) (downloads as a PDF). The IRS has [confirmed some of this information](#) and will eventually post more information on its [website](#), but for now, there's just a banner:



**Stimulus payment checks: No information available yet, No sign-up needed**  
Instead of calling, please check back for updates.

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***For the latest on your money and COVID-19, see [the Forbes Financial Protection Guide](#).***

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