

ECONOMIC IMPACT PAYMENTS (EIP)

The Additional Coronavirus Response and Relief Act (ACRRA) provides another round of stimulus payments to qualified individuals. There are some differences between payments authorized under the ACRRA and those authorized under The Coronavirus Aid, Relief and Economic Security (CARES) Act in 2020, as outlined in the attached chart.

These payments have started going out. If direct deposit bank account information is not available, the IRS will mail a paper check or an EIP debit card. If bank information is on file, payments will be directly deposited into:

1. Any account to which the payee authorized, on or after January 1, 2019, payments of tax refunds;
2. Any account belonging to a payee from which that individual, on or after January 1, 2019, made a payment of income taxes; or
3. Any Treasury-sponsored account.

To check on the status of a payment, go to IRS website: [Get My Payment](#).

The ACRRA requires the same notice information as the CARES Act for the new round. Specifically, it notifies the taxpayer of the amount they received and the method of delivery (direct deposit, paper check or debit card). Both the first and second round of economic stimulus payments are treated as advances against a 2020 tax credit that must be reconciled on a taxpayer's 2020 income tax return.

1. Because each payment round is authorized under a different section of the Internal Revenue Code, each is treated as its own separate credit. For tax purposes, it will be necessary to know the amount of each payment.
2. If the payment(s) exceed the credit determined on the 2020 return, it does not have to be repaid.
3. The payment is not taxable.
4. If you receive an EIP card, the link for information is [EIPcard.com](#). It contains instructions and videos. Cards are being sent in plain, white envelopes (see attached) that "prominently displays the U.S. Treasury Dept. seal". However, the video only shows a plain, white envelope with no seal visible on the outside. The card has the Visa name on the front and the issuing bank, MetaBank®N.A. on the back. Instructions on how to securely activate and the use the card are included. The phone # is (800) 240-8100.

“SECOND ROUND” EIPs ARE A SEPARATE CREDIT

Differences in EIP Payments Authorized Under CARES Act and ACRRRA		
Issue	CARES Act	ACRRRA
Amount of payment	\$1,200 per qualifying individual plus \$500 per qualifying child who is under age 17 at the end of 2020	\$600 per taxpayer (\$1,200 for MFJ) plus \$600 per dependent who is under age 17 at the end of 2020
Based on Adjusted Gross Income (AGI)	From 2018 or 2019 (depending on whether the 2019 tax return was filed prior to payments being issued)	From 2019
AGI limits	<p>Full payments for taxpayers with AGI as follows:</p> <ol style="list-style-type: none"> 1. \$75,000 single taxpayers 2. \$112,500 HOH 3. \$150,000 MFJ <p>Payment phased out by \$5 for every \$100 (or 5%) over the AGI threshold and completely phased out at:</p> <ol style="list-style-type: none"> 1. \$99,000 single taxpayers 2. \$146,500 HOH 3. \$198,000 MFJ if no children 4. Add \$10,000 for each qualified child 	<p>Full payments for taxpayers with AGI as follows:</p> <ol style="list-style-type: none"> 1. \$75,000 single taxpayers 2. \$112,500 HOH 3. \$150,000 MFJ <p>Payment phased out by \$5 for every \$100 (or 5%) over the AGI threshold and completely phased out at:</p> <ol style="list-style-type: none"> 1. \$87,000 single taxpayers 2. \$136,500 HOH 3. \$174,000 MFJ if no children 4. Add \$12,000 for each qualified child
Nonfilers	Payments made to Social Security recipients, Social Security disability recipients, VA disability recipients	Same as CARES Act
Social Security number requirements	<p>To receive the payment, the Social Security numbers for the taxpayer, spouse, and qualifying dependent must be included on their tax return. The only exceptions are:</p> <ol style="list-style-type: none"> 4. If one spouse is a member of the Armed Forces, then a Social Security number need only be provided for one of the spouses; and 5. If the credit is taken for a qualifying child who is adopted or placed for adoption, the adoption taxpayer identification number should be used 	<p>U.S. citizens and their children are eligible, even if married to noncitizens, i.e., the U.S. citizen parent with an SSN will receive \$600, plus \$600 for each child under the age of 17, as long the child has an SSN. This expansion would be retroactive and would apply to first round EIPs authorized under CARES Act. However, additional first round EIPs won't be sent if a taxpayer didn't qualify under the original CARES Act, but they do under the ACRRRA. Taxpayers in this situation will receive their additional EIP when they reconcile their credit on their 2020 tax return.</p>