



***STIMULUS PAYMENTS AND WARNING FROM
TREASURY INSPECTOR GENERAL ON EXPECTED SCAMS***

Stimulus checks will be direct deposited into the bank accounts of eligible individuals as described below. If you are an eligible non-filer or the IRS does not have your direct deposit information, go to <https://www.irs.gov/coronavirus/economic-impact-payments> for instructions on how to provide your direct deposit information. Per the “WARNING” after the below eligibility discussion, never give out your bank account information by phone or by e-mail.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, Congress’s large economic stimulus package that the President signed into law on March 27, 2020 provided recovery rebates for individuals as follows:

Recovery rebates for individuals. To help individuals meet expenses during this time of economic uncertainty, the government will send up to \$1,200 payments to eligible taxpayers and \$2,400 for married couples filing joint returns. An additional \$500 additional payment will be sent to taxpayers for each qualifying child dependent under age 17 (using the qualification rules under the Child Tax Credit).

Rebates are gradually phased out, at a rate of 5% of the individual’s adjusted gross income over \$75,000 (singles or marrieds filing separately), \$122,500 (head of household), and \$150,000 (joint). There is no income floor or “phase-in”—all recipients who are under the phaseout threshold will receive the same amounts. Tax filers must have provided, on the relevant tax returns or other documents (see below), Social Security Numbers (SSNs) for each family member for whom a rebate is claimed. Adoption taxpayer identification numbers will be accepted for adopted children. SSNs are not required for spouses of active military members. The rebates are not available to nonresident aliens, to estates and trusts, or to individuals who themselves could be claimed as dependents.

The rebates will be paid out in the form of checks or direct deposits. Most individuals will not have to take any action to receive a rebate. IRS will compute the rebate based on a taxpayer’s tax year 2019 return (or tax year 2018, if no 2019 return has yet been filed). If no 2018 return has been filed, IRS will use information for 2019 provided in Form SSA-1099, Social Security Benefit Statement, or Form RRB-1099, Social Security Equivalent Benefit Statement.

Rebates are payable whether or not tax is owed. Thus, individuals who had little or no income, such as those who filed returns simply to claim the refundable earned income credit or child tax credit, qualify for a rebate.

WARNING: The Treasury Inspector General for Tax Administration (TIGTA) on April 7 issued an urgent warning to taxpayers to "be on high alert" for potential scams related to government assistance to taxpayers impacted by the coronavirus. (Press Release No. 2020-2) J. Russell George, the inspector general, said, "Previous government assistance efforts have been used by crooks and scammers who see this as an opportunity to defraud taxpayers in every way possible," he stressed.

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Taxpayers who receive letters, calls, emails or other communications from individuals claiming to be from IRS and offering coronavirus stimulus payments in exchange for personal financial information, an advance fee or charge of any kind should not respond. "These are scams," TIGTA said, adding that recipients of such communications should contact TIGTA "so these scammers can be identified and stopped." Taxpayers should also remain aware of other related scams and solicitations "that fraudulently claim to be from the IRS," TIGTA said. IRS Criminal Investigation Chief Don Fort said, "The IRS Criminal Investigation Division is working hard to find these scammers and shut them down, but in the meantime, we ask people to remain vigilant," he said. For more detail go to https://www.treasury.gov/tigta/press/press_tigta-2020-02.htm.

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