

**CARES ACT**  
Information on Individual Benefits Payments

1. President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (“Cares”) on March 27, 2020.
2. Subtitle “B”, Section 2201 of the Act amends the Internal Revenue Code to add a new Section 6428 to the Internal Revenue Code. This new IRS Amendment sets up the process for each individual to obtain the Economic Impact Payment.
3. The Economic Impact Payment provisions in the law are called “2020 recovery rebates for individuals.” These rebates, which are characterized as credits against 2020 taxable income, will be issued in the amount of \$1,200.00 for “eligible individuals” or \$2,400.00 for “eligible individuals” filing a joint return. In addition, “eligible individuals” will receive \$500 for each “qualifying child”, as defined by IRC § 24(c), for purposes of the child tax credit. This generally includes dependent children under the age of 17 for whom the individual has a social security number.  
  
“Eligible Individuals” include “any individual” except for: Nonresident alien individuals, individuals who can be considered a dependent of another individual, and an Estate or Trust. The law requires Secretary of the Treasury to refund these “Credits” (the economic impact payments) as rapidly as possible.
4. The IRS will be the agency handling the payments to individuals. The IRS will have a special website designated to give information about how an individual can get their payment at [irs.gov/coronavirus](https://irs.gov/coronavirus).
5. All U.S. residents with adjusted gross income up to \$75,000.00 (\$150,000.00 married), who are not a dependent of another taxpayer and have a work eligible social security number, are eligible for the full \$1,200.00 (\$2,400.00 married) rebate. In addition, they are eligible for an additional \$500 per child. This is true even for those who have no income, as well as those whose income comes entirely from non taxable benefit programs, such as SSI benefits. For the vast majority of Americans, no action on their part will be required in order to receive a rebate check as IRS will use a taxpayer’s 2019 tax return if filed, or in the alternative their 2018 return. This includes many low income individuals who file a tax, return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit. The rebate amount is reduced by \$5.00 for each \$100.00 that a taxpayer's income exceeds the \$75,000.00 phase out threshold. The amount is completely phased out for single filers with incomes exceeding \$99,000.00, \$146,500.00 for head of household filers with one child, and \$198,000.00 for joint filers with no children.
6. If you are an individual who did not file an income tax return in 2018 or 2019, you will need to look at the IRS website at [irs.gov/coronavirus](https://irs.gov/coronavirus) for information about how to get your payment. No taxable income is required for an individual to claim the credit (Economic Impact Payment).
7. If your address or your bank information has changed since the last income tax return that you filed, you will need to look at the information at the IRS Website for information about how to claim your payment.

8. The IRS has also stated that it plans to create a web portal into which those for whom the IRS has no direct deposit information can provide information. Check the [irs.gov/coronavirus](https://irs.gov/coronavirus) website for this information.
9. The Treasury Department is instructed to distribute to taxpayers “as rapidly as possible” an advance refund of the recovery rebate credit. The law directs that the Secretary may certify and disburse the advance refund payments electronically to an account to which the payee has authorized, on or after January 1, 2018, the delivery of a tax refund. If direct deposit is not available, the IRS will mail a check to the address on record. No interest is allowed on any overpayment attributable to these advance rebate payments. Within 15 days of the date the advance refund payment is distributed, notice of the payment shall be mailed to the taxpayer’s last known address.
10. If an employed person has either been (1) terminated from employment, (2) furloughed from employment without pay, or (3) or had their paid hours are reduced, access to unemployment benefits will be through the Texas Employment Commission in Texas. Additionally, Section 2102 Pandemic Unemployment Assistance creates a temporary assistance program through December 1, 2020 to provide payment to persons who were not eligible for unemployment benefits in the past. This assistance includes persons who are self employed, independent contractors, those with limited work history, and others who are unable to work as a direct result of the Coronavirus public health emergency.