



Updated: March 30, 2021

The American Rescue Plan

Direct Payments: Frequently Asked Questions on 3rd Round of Stimulus Checks

On March 11, President Biden signed into law the American Rescue Plan (ARP), a sweeping relief package to combat the COVID pandemic and provide economic stability for workers and families. I was proud to vote for this legislation and I strongly advocated for the inclusion of Economic Impact Payments (EIPs) to help all Alabamians meet the economic challenges caused by the pandemic.

Who is eligible for Economic Impact Payments?

All legal residents of the United States who fall within the income caps outlined below are eligible for direct payments. This includes adults, children, and adult dependents, such as college students and elderly relatives. Adult dependents were ineligible for previous rounds of stimulus checks.

Americans with incomes up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns will receive a direct payment of \$1,400 per person. Families will receive an additional \$1,400 per child under 17 and per each adult dependent.

Individuals with incomes between \$75,000 and \$80,000 (and between \$150,000 and \$160,000 for joint filers) will receive a reduced payment, and filers above those income limits are not eligible for direct payments.

You can estimate your family's total payment using the following tool: [Online Calculator](#)

When will I receive my EIP?

The Treasury Department is working to distribute EIPs as quickly as possible. We expect individuals who have shared direct deposit information with the IRS will receive their payment the most quickly, and many of these payments have already been disbursed.

Individuals without direct deposits will receive payment through a check or debit card in the mail. Those receiving a check or debit card should closely watch their mail for an envelope prominently displaying the seal of the U.S. Treasury Department.

Individuals are encouraged to use the IRS [Get My Payment](#) tool to check the status of their EIP.

Will I receive a stimulus check if I haven't filed my taxes for 2019 or 2020?

Yes. Non-filers are encouraged to fill out the [IRS Free File Form](#) in order to claim their stimulus payment, even if they aren't required to file taxes and did not file for 2019 or 2020.

Will I have to pay taxes on my EIP?

No, your payment is not subject to federal taxation and will not be taken out of your federal tax refund.

Will my EIP be garnished to pay previous debts?

Your payment cannot be garnished for debt related to federal taxes or debts, state taxes, child support payments, or unemployment compensation debts.

However, private debt may be vulnerable to garnishment. Congresswoman Sewell is fighting to pass legislation to prevent private debt collectors from garnishing Economic Impact Payments.

How will I receive my direct payment if I have moved or if my bank account is no longer open?

If your direct deposit changed recently, your EIP will be rerouted back to the IRS and the agency will send you a check or debit card to the address they have on file.

If you have moved, you should notify the IRS of your new address through one of the methods on their website: [IRS Change of Address](#).

Note: The IRS is continuing to provide updates on EIPs. We will update this FAQ as more information becomes available, and we encourage you to visit the [IRS website](#) for the latest information.