



2020 Direct Payments: Most Frequently Asked Questions

Why is Congress proposing to deliver direct payments to individuals?

The public health and economic consequences of COVID-19 are significant. These direct payments help Americans afford what they need during this public health crisis, as many are experiencing a significant cash crunch.

When will the direct payments be distributed?

The Internal Revenue Service (IRS) will work to deliver direct payments quickly in the form of advance payments. For people who filed a federal income tax return in 2018 or 2019, payment processing will be based on payment or address information already on file with the IRS. Electronic distributions will be automatic to an account the payee authorized January 1, 2018 or later.

How large are the direct payments?

The amount of the direct payment depends on family size. The payment is \$1,200 for each adult individual (\$2,400 for joint filers), and \$500 per qualifying child under age 17. The advance payment of direct payments is reduced by \$5 for every \$100 of income to the extent a taxpayer's income exceeds \$150,000 for a joint filer, \$112,500 for a head of household filer, and \$75,000 for anyone else (including single filers).

Do direct payments need to be repaid?

No, direct payments do not need to be repaid. If an individual experienced an income loss in 2020 or if they have an increase in family size, they may be able to claim an additional credit of the difference when the individual files their 2020 tax federal income tax return in 2021.

How will direct payments be delivered?

It depends. Direct payments will be delivered automatically—by the IRS—to most Americans who file individual federal income tax returns. When available, electronic direct deposit will be used in place of mailing a physical check.

I am not typically required to file a tax return. Can I still receive my payment?

Yes. People who typically do not file a tax return will need to file a simple tax return to receive an economic impact payment. Low-income taxpayers, senior citizens, Social Security recipients, some veterans and individuals with disabilities who are otherwise not required to file a tax return will not owe tax.

How can I file the tax return needed to receive my economic impact payment?

www.irs.gov/coronavirus will soon provide information instructing people in these groups on how to file a 2019 tax return with simple, but necessary, information including their filing status, number of dependents and direct deposit bank account information.

I have not filed my tax return for 2018 or 2019. Can I still receive an economic impact payment?

Yes. The IRS urges anyone with a tax filing obligation who has not yet filed a tax return for 2018 or 2019 to file as soon as they can to receive an economic impact payment. Taxpayers should include direct deposit banking information on the return.

How will a person who has recently moved access direct payments?

The IRS will determine payment delivery systems for everyone entitled to direct payments.

Will the direct payments affect my eligibility for federal income-targeted programs?

No, the direct payment is considered a tax refund and is not counted towards eligibility for federal programs.

What identification requirements apply to receive direct payments?

Taxpayers must have Social Security Numbers for themselves and their qualifying children in order to receive direct payments.