

# Answers to questions you may have about Economic Impact Payments

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Millions of eligible Americans have already received their Economic Impact Payments ("EIPs") via direct deposit or paper checks, according to the IRS. Others are still waiting. The payments are part of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. Here are some answers to questions you may have about EIPs.

## Who's eligible to get an EIP?

Eligible taxpayers who filed their 2018 or 2019 returns and chose direct deposit of their refunds automatically receive an Economic Impact Payment. You must be a U.S. citizen or U.S. resident alien and you can't be claimed as a dependent on someone else's tax return. In general, you must also have a valid Social Security number and have adjusted gross income ("AGI") under a certain threshold.

The IRS also says that automatic payments will go to people receiving Social Security retirement or disability benefits and Railroad Retirement benefits.

## How much are the payments?

EIPs can be *up to* \$1,200 for individuals, or \$2,400 for married couples, plus \$500 for each qualifying child.

## How much income must I have to receive a payment?

You don't need to have any income to receive a payment. But for higher income people, the payments phase out. The EIP is reduced by 5% of the amount that your AGI exceeds \$75,000 (\$112,500 for heads of household or \$150,000 for married joint filers), until it's \$0.

The payment for eligible individuals with no qualifying children is reduced to \$0 once AGI reaches:

- \$198,000 for married joint filers;
- \$136,500 for heads of household; and
- \$99,000 for all others.

Each of these threshold amounts increases by \$10,000 for each additional qualifying child. For example, because families with one qualifying child receive an additional \$500 Payment, their \$1,700 Payment (\$2,900 for married joint filers) is reduced to \$0 once adjusted gross income reaches:

- \$208,000 for married joint filers;
- \$146,500 for heads of household; and
- \$109,000 for all others.

### **How will I know if money has been deposited into my bank account?**

The IRS stated that it will send letters to EIP recipients about the payment within 15 days after they're made. A letter will be sent to a recipient's last known address and will provide information on how the payment was made and how to report any failure to receive it.

### **Is there a way to check on the status of a payment?**

The IRS has introduced a new "Get My Payment" web-based tool that will: show taxpayers either their EIP amount and the scheduled delivery date by direct deposit or paper check, or that a payment hasn't been scheduled. It also allows taxpayers who didn't use direct deposit on their last-filed return to provide bank account information. To use the tool, you must enter information such as your Social Security number and birthdate. You can access it here: <https://bit.ly/2ykLSwa>

### **I tried the tool and I got the message "payment status not available." Why?**

Many people report that they're getting this message. The IRS states there are many reasons why you may see this. For example, you're not eligible for a payment or you're required to file a tax return and haven't filed yet. In some cases, people are eligible but are still getting this message. Hopefully, the IRS will have it running seamlessly soon.

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