

Frequently Asked Questions: Economic Impact Payments

FAQ • March 2020

Kate Lang, Justice in Aging

These FAQs answer some of the questions asked during the May 6, 2020 [Economic Impact Payment and Older Adults](#) webinar. The information provided here is a general response to questions from advocates working with older adults. The information does not, and is not intended to constitute legal advice, and is current as of May 12, 2020. This Q&A is for general informational purposes only.

SSI Questions

1. Please discuss the relationship between SSI and unemployment: If an older adult client receives SSI and begins receiving unemployment benefits, and the \$600 CARES Act weekly benefit, this will put them over the income for SSI. How should the client treat the additional unemployment payment?

All of the unemployment benefits, including the additional \$600 per week in Pandemic Unemployment Compensation (PUC), will be counted as unearned income for SSI purposes. However, PUC is not counted for Medicaid purposes, so they may still be eligible for Medicaid in your state.

Here is a [Fact Sheet from the Arc](#) that may answer other questions about how unemployment benefits interact with SSI, Social Security, and Medicaid.

2. If an SSI recipient is also a dependent on an adult child's taxes, would the SSI recipient be eligible for the stimulus payment?

No. They are not eligible for a stimulus payment. If anyone age 17 or older was claimed as a dependent by a family member on their 2019 or 2018 tax return, then neither the person claimed as a dependent, nor the person who claimed them as a dependent on their tax return, will receive a payment in 2020.

However, if they can't be claimed as a dependent by someone else for 2020, then they will be eligible to claim a \$1,200 credit on their own 2020 tax return if they file next year.

3. How long does an SSI recipient have to spend down the payment before it counts toward their resource limit?

SSI recipients have 12 months to spend down the stimulus payment so that they are back under the \$2,000 resource limit (for an individual, \$3,000 for a couple). You count the first month as the month after they receive the payment. Also, the payment does not count as income in the month it is received.

4. Have you heard of SSI recipients receiving payment on Direct Express cards?

On May 7, SSA announced that SSI recipients who did not file a 2019 and 2018 return and who do not have a representative payee should receive their electronic payment from the IRS around May 13 by direct deposit or to their Direct Express card if they did not use the IRS' Non-Filer Tool.

Issues with receiving the payment on Direct Express cards only comes into play if the SSI recipient used the non-filer tool to enter information about their dependents by May 5. Then they would have needed to enter a non-Direct Express bank account, in order to receive their own and their dependents' payments by direct deposit into that bank account, or they will receive their own and their dependents' payments by a paper check in the mail. They won't receive their own payment and their dependents' payments on their Direct Express card.

5. Any issues to consider for SSI recipients who are experiencing homelessness?

Some of the issues we are thinking about for people experiencing homelessness include:

- Difficulty accessing the non-filer portal to register to receive a payment if they have not filed a tax return for 2018 or 2019 and don't receive benefits from SSA or VA. Only having an online portal that requires a computer and internet access excludes a lot of homeless individuals from being able to register.
- Being unbanked and having difficulty opening a bank account to receive the payment by direct deposit.
- Not having a stable mailing address where they could receive a payment by paper check.

Timing and Access Questions

1. Can you clarify when paper checks and direct deposit will go out to VA and SSI beneficiaries?

The IRS will begin mailing paper checks on May 15 to SSI recipients and VA beneficiaries.

2. Was May 5th the deadline to register at the non-filer portal just for SSI recipients with dependents? Does it impact other SSI recipients?

The May 5 deadline was only applicable to SSI recipients and VA beneficiaries who needed to let the IRS know that they have dependents eligible for the \$500 payments. No action was necessary if they didn't need to register a dependent. In general, their stimulus payment will be automatically sent just as they normally receive their benefits—by direct deposit, Direct Express card, or check.

3. Can someone who does not have a bank account receive a paper check?

Yes. Anyone for whom the IRS does not have bank account information will be mailed their payment as a paper check.

4. Any suggestions for filing for low-income clients who do not have access to the internet—should they call for an appointment remotely?

Unfortunately, the IRS has not made any alternative methods available for people who do not have internet access. Many service providers are working with clients who do not have internet access to help them over the phone to access the IRS portals on their website.

5. If someone is eligible but didn't receive payment, will it be credited in their 2020 tax filing?

Yes, they will be able to claim the payment as a tax credit when they file their 2020 tax return in 2021.

6. Will the economic impact payments be deducted from the 2020 tax refunds?

No, the payment someone receives in 2020 will not reduce the refund they may receive when they file their 2020 income tax return in 2021.

Representative Payee Questions

1. If a payment is deposited directly into an account, will the agency receive the payment? Usually, the agency just receives payment from SSA, and if this is from IRS, does this change anything?

On May 7, SSA announced on its website: “The IRS has not yet determined when payments will be made to someone who did not file a 2019 or 2018 tax return and who has a representative payee.” There is still a lot of uncertainty about when and how these payments will be made for beneficiaries with a payee.

2. What if the Representative Payee does not release the payment to individuals — what recourse do they have?

The beneficiary should consider if there is any other agency or entity, other than SSA, that has oversight over the payee where the beneficiary could make a complaint. If no other option has worked, the beneficiary could also make a complaint to the police, since the payee is essentially stealing the money from the beneficiary by not talking with them about what they want to do with it or releasing it to them, but hopefully they could resolve things before it comes to that.

Troubleshooting

1. What to do when client is DEFINITELY eligible but IRS site says “Payment Status Not Available”?

The FAQ on the IRS website for the [Get My Payment Tool](#) indicates there are several reasons why you might get a “Payment status not available” response:

The Get My Payment application will return “Payment Status Not Available” for several reasons, including:

- You are required to file a tax return, but:
 - » The IRS hasn't finished processing your 2019 return
 - » The application doesn't yet have your data; the IRS is working on adding more data to allow more people to use it.
- You don't usually file a return, and:
 - » You used Non-Filers: Enter Payment Info Here but the IRS hasn't processed your entry yet.
 - » You receive SSI or VA benefits; information has not been loaded onto IRS systems yet for people

who don't normally file a tax return.

- You're not eligible for a payment ([see eligibility](#)).

2. How would you recommend proceeding if a family member received a check for a person who died before the receipt of payments?

Here is the [guidance the IRS posted to its FAQ](#) about this on May 6:

A Payment made to someone who died before receipt of the Payment should be returned to the IRS by following the [instructions in the Q & A about repayments](#). Return the entire Payment unless the Payment was made to joint filers and one spouse had not died before receipt of the Payment, in which case, you only need to return the portion of the Payment made on account of the decedent. This amount will be \$1,200 unless adjusted gross income exceeded \$150,000.

[To Return an Economic Impact Payment:](#)

- If the payment was a paper check:
 - » Write "Void" in the endorsement section on the back of the check.
 - » Mail the voided Treasury check immediately to the appropriate IRS location listed below.
 - » Don't staple, bend, or paper clip the check.
 - » Include a note stating the reason for returning the check.
- If the payment was a paper check and you have cashed it, or if the payment was a direct deposit:
 - » Submit a personal check, money order, etc., immediately to the appropriate IRS location, which can be found at the hyperlink below.
 - » Write on the check/money order made payable to "U.S. Treasury" and write 2020EIP, and the taxpayer identification number (social security number, or individual taxpayer identification number) of the recipient of the check.
 - » Include a brief explanation of the reason for returning the EIP.

You can find the mailing addresses for the different states on the [IRS webpage](#).

3. Anything to add about TANF benefits?

For TANF recipients, the stimulus payments won't be counted as income, and won't be counted as a resource. Different states have set the length of time that the payments won't be counted as a resource at different amounts, from 2 months to 12 months.

Case consultation assistance is available for attorneys and professionals seeking more information to help older adults. Contact NCLER at ConsultNCLER@acl.hhs.gov.

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