

## **Treasury and IRS Begin Delivering Second Round of Economic Impact Payments to Millions of Americans**

The Internal Revenue Service and the Treasury Department have begun delivering a second round of Economic Impact Payments as part of the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 to millions of Americans who received the first round of payments earlier this year.

Authorized by the newly enacted COVID-relief legislation, the second round of payments, or “EIP 2,” is generally \$600 for singles and \$1,200 for married couples filing a joint return. In addition, those with qualifying children will also receive \$600 for each qualifying child. Dependents who are 17 and older are not eligible for the child payment.

### **Payments are automatic for eligible taxpayers**

Payments are automatic for eligible taxpayers who filed a 2019 tax return, those who receive Social Security retirement, survivor or disability benefits (SSDI), Railroad Retirement benefits as well as Supplemental Security Income (SSI) and Veterans Affairs beneficiaries who didn’t file a tax return. Payments are also automatic for anyone who successfully registered for the first payment online at IRS.gov using the agency’s Non-Filers tool by Nov. 21, 2020 or who submitted a simplified tax return that has been processed by the IRS.

### **Who is eligible for the second Economic Impact Payment?**

Generally, U.S. citizens and resident aliens who are not eligible to be claimed as a dependent on someone else’s income tax return are eligible for this second payment. Eligible individuals will automatically receive an Economic Impact Payment of up to \$600 for individuals or \$1,200 for married couples and up to \$600 for each qualifying child. Generally, if you have adjusted gross income for 2019 up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns and surviving spouses, you will receive the full amount of the second payment. For filers with income above those amounts, the payment amount is reduced.

The IRS emphasizes that there is no action required by eligible individuals to receive this second payment. Some Americans may see the direct deposit payments as pending or as provisional payments in their accounts before the official payment date of Jan. 4, 2021. The IRS reminds taxpayers that the payments are automatic, and they should not contact their financial institutions or the IRS with payment timing questions.

As with the first round of payments under the CARES Act, most recipients will receive these payments by direct deposit. For Social Security and other beneficiaries who received the first round of payments via Direct Express, they will receive this second payment the same way.

Anyone who received the first round of payments earlier this year but doesn’t receive a payment via direct deposit will generally receive a check or, in some instances, a debit card. For those in this category, the payments will conclude in January. If future legislation is enacted to provide for an additional amount, the increased benefit will be paid as quickly as possible.

Eligible individuals who did not receive an Economic Impact Payment – either the first or the second payment – will be able to claim it when filing their 2020 tax returns in 2021. The IRS urges taxpayers who didn't receive a payment in 2020 to review the eligibility criteria when filing their 2020 taxes; many people, including recent college graduates, may be eligible to claim it. People will see the Economic Impact Payments (EIP) referred to as the Recovery Rebate Credit (RRC) on Form 1040 or Form 1040-SR since the EIPs are an advance payment of the RRC.

“Throughout this challenging year, the IRS has worked around the clock to provide Economic Impact Payments and critical taxpayer services to the American people,” said IRS Commissioner Chuck Rettig. “We are working swiftly to distribute this second round of payments as quickly as possible. This work continues throughout the holidays and into the new year as we prepare for the upcoming filing season. We urge everyone to visit [IRS.gov](https://www.irs.gov) in the coming days for the latest information on these payments and for important information and assistance with filing their 2021 taxes.”

### **How do I determine if the IRS is sending me a payment?**

People can check the status of both their first and second EIPs by using the ***Get My Payment*** tool, available in English and Spanish on [IRS.gov](https://www.irs.gov). The tool is being updated with new information, and the IRS anticipates the tool will be available again in early January for taxpayers.

### **How will the IRS know where to send my payment?**

The IRS will use the data already in their systems to send the new payments. Taxpayers with direct deposit information on file will receive the payment that way. For those without current direct deposit information on file, they will receive the payment as a check or debit card in the mail. For those eligible but who don't receive the payment for any reason, it can be claimed by filing a 2020 tax return in 2021. Remember, the Economic Impact Payments are an advance payment of what will be called the Recovery Rebate Credit on the 2020 Form 1040 or Form 1040-SR.

### **Will people receive a paper check or a debit card?**

For those who don't receive a direct deposit by early January, they should watch their mail for either a paper check or a debit card. To speed delivery of the payments to reach as many people as soon as possible, the Bureau of the Fiscal Service, part of the Treasury Department, will be sending a limited number of payments out by debit card. Please note that the form of payment for the second mailed EIP may be different than for the first mailed EIP. Some people who received a paper check last time might receive a debit card this time, and some people who received a debit card last time may receive a paper check.

IRS and Treasury urge eligible people who don't receive a direct deposit to watch their mail carefully during this period for a check or an Economic Impact Payment card, which is sponsored by the Treasury Department's Bureau of the Fiscal Service and is issued by Treasury's financial agent, MetaBank®, N.A. The Economic Impact Payment Card will be sent in a white envelope that prominently displays the U.S. Department of the Treasury seal. It has the Visa name on the front of the Card and the issuing bank, MetaBank®, N.A. on the back of the card. Information included with the card will explain that this is your Economic Impact Payment. More information about these cards is available at [EIPcard.com](https://www.eipcard.com).

### **Are more people eligible now for a payment than before?**

Under the earlier CARES Act, joint tax returns of couples where only one member of the couple had a Social Security number were generally ineligible for a payment – unless they were a member of the military. But this month's new law changes and expands that provision, and more people are now eligible. In this situation, these families will now be eligible to receive payments for the taxpayers and qualifying children of the family who have work-eligible SSNs. People in this group who don't receive an Economic Impact Payment can claim this when they file their 2020 taxes under the Recovery Rebate Credit.

### **Is any action needed by Social Security beneficiaries, railroad retirees and those receiving veterans' benefits who are not typically required to file a tax return?**

Most Social Security retirement and disability beneficiaries, railroad retirees and those receiving veterans' benefits do not need take any action to receive a payment. Earlier this year, the IRS worked directly with the relevant federal agencies to obtain the information needed to send out the new payments the same way benefits for this group are normally paid. For eligible people in this group who didn't receive a payment for any reason, they can file a 2020 tax return.

### **I didn't file a tax return and didn't register with the IRS.gov non-filers tool. Am I eligible for a payment?**

Yes, if you meet the eligibility requirement. While you won't receive an automatic payment now, you can still claim the equivalent Recovery Rebate Credit when you file your 2020 federal income tax return.

### **Will I receive anything for my tax records showing I received a second Economic Impact Payment?**

Yes. People will receive an IRS notice, or letter, after they receive a payment telling them the amount of their payment. They should keep this for their tax records.

### **Where can I get more information?**

For more information about Economic Impact Payments and the 2020 Recovery Rebate, key information will be posted on [www.irs.gov/eip](http://www.irs.gov/eip). Later this week, you may check the status of your payment at [www.irs.gov/GetMyPayment](http://www.irs.gov/GetMyPayment).

For other COVID-19-related tax relief, visit [www.irs.gov/Coronavirus](http://www.irs.gov/Coronavirus).

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