

IRS COVID-19 UPDATES

ECONOMIC IMPACT PAYMENTS

The IRS started distributing Economic Impact Payments (EIPs) in April. Most people will get their payments automatically and will not need to take any action. Social Security, Railroad Retirement, SSI and VA beneficiaries who are not typically required to file tax returns will not need to file to receive a payment. Instead, payments will be automatically deposited into their bank accounts. **The IRS is currently unable to answer questions about payment status over the phone, but individuals can check the status of a payment online.**

Check your payment status.

The IRS is continuing to add information every day related to these measures. The latest information is available on IRS.gov, where a <u>special page</u> has been established for these items.

CONTACT OUR OFFICE

Representative Sherrill's office will continue to provide updates to residents on EIP as we receive information from the IRS. Please contact our office at (973) 526-5668 with questions.

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FAQs Related to CARES Act, EIP, and Coronavirus

Links to the many FAQs available on IRS.gov are provided below. The IRS is continually updating these FAQs as new questions arise or further guidance is available. Additionally, questions for which guidance already is available are listed below, with direct links to answers online.

- o Get My Payment Frequently Asked Questions
- o Economic Impact Payment Frequently Asked Questions
- o Temporary procedures to fax certain Forms 1139 and 1045 due to COVID-19
- o Estate tax Form 706 deliveries returned due to COVID-19
- o Deferral of employment tax deposits and payments through December 31, 2020
- o Installment agreement direct debit FAQs

 <u>COVID-19-related tax credits for required paid leave provided by small and midsize businesses</u> <u>FAQs</u>

- o Employee Retention Credit under the CARES Act
- o Department of Labor: Families First Coronavirus Response Act: Questions and answers
- o Filing and payment deadlines questions and answers

Information for Individuals and Families

FILING AND PAYMENT DEADLINE EXTENDED

The deadlines to FILE and PAY federal income taxes are extended to July 15, 2020. <u>Answers to</u> <u>your questions on the filing and payment deadline</u>.

CORONAVIRUS-RELATED PAID LEAVE FOR WORKERS

Many Americans are entitled to paid sick leave, either to tend to your own health needs or to care for a family member, under the Families First Coronavirus Response Act. <u>Read the press release</u> on paid sick leave.

Information for Businesses and Tax-Exempt Entities

FILING AND PAYMENT DEADLINE EXTENDED

The deadlines to FILE and PAY federal income taxes are extended to July 15, 2020. <u>Get answers</u> to your questions on the filing and payment deadline.

EMPLOYEE RETENTION CREDIT AVAILABLE FOR MANY BUSINESSES FINANCIALLY IMPACTED BY COVID-19

The <u>Employee Retention Credit</u> is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. You can get immediate access to the credit by reducing the employment tax deposits you are otherwise required to make. Also, if your employment tax deposits are not sufficient to cover the credit, you may get an advance payment from the IRS. <u>Get details on the retention credit</u>.

CORONAVIRUS-RELATED PAID LEAVE FOR WORKERS AND TAX CREDITS FOR SMALL-AND MID-SIZED BUSINESSES

The <u>Families First Coronavirus Response Act (PDF)</u> gives all American businesses with fewer than 500 employees funds to provide employees with paid leave, either for the employee's own health needs or to care for family members. <u>Get details on paid leave for employees</u>.

Information for Health Plans and Retirement Plans

HIGH-DEDUCTIBLE HEALTH PLANS

High-deductible health plans (HDHPs) can pay for 2019 Novel Coronavirus (COVID-19)-related testing and treatment, without jeopardizing their status. <u>Read the press release on HDHPs</u>

See all Frequently Asked Questions, resources and guidance.

People First Initiative

New People First Initiative; COVID-19 effort temporarily adjusts, suspends key compliance program. The IRS has taken a number of steps to address a variety of audit and compliance questions during the coronavirus. <u>IRS News Release IR-2020-59</u>

Economic Impact Payment FAQs

ELIGIBILITY

o Who is eligible to receive a Payment?

• <u>Will I receive a Payment if I do not make enough money to normally have to file an income tax</u> return?

REQUESTING MY ECONOMIC IMPACT PAYMENT

o I recently filed a tax return. What do I need to do to get a Payment?

• <u>I haven't filed a tax return for 2018 or 2019 and don't need to file tax returns for those years. I</u> receive Social Security, SSI, or Railroad Retirement benefits. What do I need to do to get a <u>Payment?</u>

o <u>I haven't filed a federal tax return for 2018 or 2019 and don't receive Social Security retirement</u> or any other federal benefits. What do I need to do to get a Payment?

o I did not file a tax return for 2018 or 2019. How do I know if I am required to file a tax return?

o <u>I receive veterans benefits</u>. Do I need to provide information to the IRS or file a tax return to receive a Payment?

o Who should NOT use Non-Filers: Enter Payment Info Here?

o <u>I need to file a tax return but am concerned about visiting a tax professional or local community</u> organization in person right now to get help with my tax return. How long is the Payment available?

o Will the IRS contact me about my Payment?

CALCULATING MY ECONOMIC IMPACT PAYMENT

o What is the amount of the Payment I will receive?

• What is the amount of my Payment if I haven't filed a tax return for 2018 or 2019 and am receiving an automatic Payment based on benefits that SSA or RRB paid me in 2019?

o Will my Payment be reduced if my income is too little or too much?

o What is meant by a valid SSN required for a Payment?

o Is a child born, adopted, or placed into foster care in 2020 a qualifying child for the Payment?

o <u>I received an additional \$500 Payment in 2020 for my qualifying child. However, he just turned</u> <u>17. Will I have to pay back the \$500 next year when I file my 2020 tax return?</u>

• <u>I claimed my child as a dependent on my 2019 tax return. She is graduating from school in 2020.</u> <u>Will she receive her own Payment?</u>

o <u>I claimed my mom as a dependent on my 2019 tax return. Will I receive an additional Payment</u> for her or will she receive her own Payment?

RECEIVING MY PAYMENT

o Is the Payment taxable as 2020 income?

 If I owe tax, or have a Payment agreement with the IRS, or owe other federal or state debts, will my Payment be reduced as an offset?

o How will the IRS know where to send my Payment?

• What if the bank account number I used on my recent tax return is closed or no longer active? Can I switch and be mailed a Payment?

• <u>I already filed my 2019 tax return and owed tax. I scheduled a Payment (electronic funds</u> withdrawal, Direct Pay, or Electronic Fund Transfer Payment System (EFTPS)) from my bank account. Will the IRS send my Payment to the account I used?

o <u>I already filed my 2019 tax return, but I didn't provide bank information. Can I use the</u> <u>Non-Filers: Enter Payment Info Here tool to provide my banking information?</u>

o I applied my 2019 refund toward my 2020 estimated tax (or 2018 refund toward my 2019 estimated tax if based on your 2018 return). What should I enter for the refund amount?

o <u>I neither owed nor received a refund on my tax return. What should I enter to submit my bank</u> information?

o When will Get My Payment provide a payment date after adding bank information?

o <u>I don't recognize the bank information shown on my Payment Status. What can I do? What will happen to my payment?</u>

- o How do I find the bank account information the IRS needs?
- o What if I don't have a bank account?
- o My address is different from the last tax return I filed. How can I change my address?
- o Where did the IRS get the bank information for me, and what if I need to change it?
- o I requested a direct deposit of my Payment. Why is the IRS mailing it to me as a check?

MORE ABOUT THE ECONOMIC IMPACT PAYMENT

o As a U.S. citizen living abroad, am I entitled to a Payment?

o If I live in Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, or the Commonwealth of the Northern Mariana Islands, will I get a Payment if I'm eligible?

• Will I get the Payment if I am not a U.S. citizen, U.S. permanent resident, or a resident of these territories?

Get My Payment FAQs

EIP ELIGIBILITY AND GENERAL INFORMATION

- o Who is eligible?
- o Who is not eligible?

- How much is it worth?
- Do I need to take action?
- o Payment recipients: watch for an IRS letter
- o Avoid scams related to economic payments, COVID-19
- o Should I use Get My Payment or Non-Filers: Enter Payment Info Here?

ACCESSING GET MY PAYMENT

- o When can I start checking Get My Payment for the status of my payment?
- o If I filed jointly with my spouse, does it matter whose information I use for Get My Payment?

o <u>I am not required to file a tax return, can I still use Get My Payment to check my payment status?</u>

o <u>I receive a Form SSA-1099 or RRB-1099 and file a tax return. Can I use Get My Payment to check my payment status?</u>

• <u>I receive a Form SSA-1099 or RRB-1099 and do not file a tax return because I don't meet the income requirement to file. Can I use Get My Payment to provide my bank information to receive my EIP by direct deposit?</u>

PAYMENT STATUS

- o How long will it take for my payment status to change?
- o Does Get My Payment display different stages of my payment?

PAYMENT STATUS NOT AVAILABLE

o Why am I getting "Payment Status Not Available"? (updated April 17, 2020)

BANK ACCOUNT INFORMATION

- o Where did the IRS get my bank information, and what if I need to change it?
- o My bank account information has changed since I filed. Can I update it using the tool?

o <u>I no longer have the bank account that I used for direct deposit on my tax return. Can I change it</u> using Get My Payment?

o <u>I used direct deposit to split my refund between several accounts when I filed my tax return. Can</u> <u>I use Get My Payment to designate which account I want my payment deposited in?</u> I made an electronic payment from my bank account to the IRS (includes a Direct Debit Installment Agreement (DDIA)). Will my payment be direct deposited to the same account? Can I use Get My Payment to provide my bank account information?

o What does it mean when Get My Payment says, "Need More Information"?

• <u>Can I use Get My Payment to check the direct deposit status if I changed my payment method to direct deposit?</u>

o <u>If Get My Payment is unavailable, will Where's My Refund or View Your Account allow me to</u> provide my bank information?

LOCKED / STATUS UNAVAILABLE

- o What does it mean when Get My Payment says, "Please Try Again Later"?
- o Why can't I get my payment status?
- o Will Where's My Refund or View Your Account provide my payment status?

ERROR MESSAGE

o Why am I receiving an error message when answering the security questions?

ADDRESS CHANGES

- o My address is different from the last tax return I filed. Can I change it using Get My Payment?
- o I requested a direct deposit of my payment. Why is the IRS mailing it to me?