



## **CARES Act - Recovery Rebates for Individuals**

All U.S. residents with adjusted gross income of up to certain limits are entitled to receive rebates under the CARES Act. For the vast majority of Americans, no action on their part will be required in order to receive a rebate, because the IRS will use a taxpayer's 2019 tax return if filed, or in the alternative their 2018 return. The Secretary of the Treasury has stated that there will be a web-based application for those who don't receive direct deposit to give the IRS the necessary information. Below are some of the details:

- A rebate of \$1,200 (\$2,400 for joint filers) is available to U.S. residents who are not a dependent of another taxpayer and who have a work-eligible social security number, if their adjusted gross income is no more than: (i) \$75,000 for single filers, (ii) \$112,500 for head of household filers, and (iii) \$150,000 for joint filers.
- An additional \$500 per qualifying child under the age of 17 also will be provided.
- The full rebate is available to individuals who have little to no income or who have non-taxable income from means-tested entitlement programs (e.g., Supplemental Security Income, the Earned Income Tax Credit, and the Child Tax Credit).
- The total rebate is reduced by \$5 for each \$100 that a taxpayer's income exceeds the income thresholds above and is completely phased out for single filers with incomes exceeding \$99,000, \$146,500 for head of household filers with one child, and \$198,000 for joint filers with no children.
- The rebate may be electronically deposited into any account authorized by the taxpayer, on or after January 1, 2018, to receive a federal income tax refund or other federal payment.
- A letter is to be mailed to a taxpayer's last known address within 15 days after a rebate has been paid describing the amount and method of the payment and a phone number at the IRS to call in case the payment is not received.