



IRS Congressional Update

News for members of Congress and their staffs - September 2020



Are you eligible for an Economic Impact Payment?

If your income is below \$12,200, or \$24,400 if you're married, you probably don't file a tax return. Even if you aren't normally required to file a tax return, you may still be eligible for a \$1,200 per person Economic Impact Payment and \$500 per qualifying child.

You must be a U.S. citizen, permanent resident or **qualifying resident alien** and have a work-eligible Social Security number. You can't be claimed as someone else's dependent.

You won't owe taxes on the payment and it doesn't affect eligibility for federal government assistance or benefits.

Register for a payment by using the IRS's free **Non-Fileers: Enter Payment Info Here** tool through October 15. Do **NOT** use this tool if you will be filing a 2019 return. To determine if you are required to file a 2019 tax return or if you should file to get a refund, use our Interactive Tax Assistant tool – **Do I Need to File a Tax Return?** – and answer basic questions. This includes those who file a tax return to get a refund even if though they are not required to file a tax return. For example, working people with low to moderate income who qualify for the **Earned Income Tax Credit** may benefit from filing a tax return.

If you don't have a bank to cash a check or receive a deposit, visit the **FDIC website**.

Reminder – unemployment compensation is taxable

IRS recognizes that the loss of a job may create new tax issues. The IRS provides the following information about the tax consequences:

- Severance pay and **unemployment compensation** are taxable.
- Payments for any accumulated vacation or sick time are also taxable.

Workers may be required to make quarterly **estimated tax payments**. However, they can choose to have federal income tax withheld.

For more information, refer to Form W-4V, Voluntary Withholding Request (.pdf) or see IRS Publication 4128, Tax Impact of Job Loss, and Tax Topic 418.

TAS offers EIP help

You should have received a memo from the National Taxpayer Advocate on the Economic Impact Payment cases they are now accepting. Read this from the [National Taxpayer Advocate](#) for more information on how the IRS Taxpayer Advocate Service can help.

CARES Act grant for higher education is tax-free

There's good news if you received an [emergency financial aid grant](#) from your school because you were financially affected by the COVID-19 pandemic. The grant is tax-free. Do not include it as income on your 2020 tax return.

Since the grant is tax-free, grant funds you use to pay for educational expenses cannot be used to claim the American opportunity tax credit, lifetime learning credit or the tuition and fees deduction on your tax return.

For more information, please see [Publication 970](#), Tax Benefits for Education.

IRS offers services for taxpayers with a visual impairment

Media & Publication's [Alternative Media Center](#) (AMC) provides alternative media resources and accessibility services to IRS employees and taxpayers with disabilities. The AMC's vision is to create a culture that provides an inclusive environment through equal access to information.

The AMC provides a variety of accessible products to help people who use assistive technology such as screen reading software, refreshable Braille displays and screen magnifying software. These products include tax forms, instructions and publications that can be downloaded or viewed online as Section 508-compliant PDF, HTML, eBraille, text and large print. Please note that every product is not available in all formats. For example, tax forms are not available as HTML.

Taxpayers have two options to obtain accessible tax products. They can download electronic alternative media tax products from the [Accessible Forms and Publications](#) page or they can request paper copies in Braille or large print by calling the tax form telephone number at 800-829-FORM (3676).

Through outreach, partnerships with disability organizations, and social media, the IRS provides continuous information to taxpayers about alternative media resources. You can help the IRS spread the word by directing family, friends and taxpayers with visual disabilities to IRS.gov.

Tax Notices and Letters

If taxpayers receive a notice or letter and would prefer them in Braille or large print, they can:

- Call the tax assistance telephone number at 800-829-1040.
- Fax their notice and a cover sheet to the AMC at 855-473-2006. On the cover sheet, include their name, address, phone number and the preferred format.
- Mail their notice with a note stating their preferred format (Braille or large print) to the AMC at 400 N. 8th St., Room G39, Richmond, VA 23219.

Accessibility Helpline – coming soon

As a new service, the IRS is establishing an Accessibility Helpline to answer questions related to current and future accessibility services and alternative media formats available to taxpayers with disabilities. Stay tuned for more.

For taxpayers who pay estimated taxes

The next two quarterly **estimated tax** payments for tax year 2020 are due September 15, 2020, and January 15, 2021. IRS **Form 1040-ES**, Estimated Tax for Individuals, includes instructions to help taxpayers figure and pay their estimated taxes.

IRS electronic payment options, where taxpayers can schedule their estimated and other federal tax payments, are:

- **Direct Pay** up to 365 days in advance
- **Electronic Federal Tax Payment System** (EFTPS) up to 365 days in advance
- **Payment processor** debit, credit card or digital wallet options up to 365 days in advance

Direct Pay and EFTPS are both free payments options, and taxpayers can schedule their payments in advance and opt in to receive email notifications about the payment.

Visit [IRS.gov/payments](https://www.irs.gov/payments) to explore electronic payment options and get more information.

"Dirty Dozen" list of tax scams for 2020; Americans urged to be vigilant to these threats during the pandemic and its aftermath

The annual "Dirty Dozen" **list of tax scams** has special emphasis on aggressive and evolving schemes related to coronavirus tax relief, including Economic Impact Payments.

Largest-ever seizure of terrorist organizations' cryptocurrency accounts

IRS Criminal Investigation, the Justice Department and law enforcement partners recently announced the dismantling of three terrorist financing cyber-enabled campaigns, involving the al-Qassam Brigades; Hamas's military wing, al-Qaeda; and Islamic State of Iraq and the Levant. This coordinated operation is detailed in three forfeiture complaints and a criminal complaint unsealed recently in the District of Columbia. These actions represent the government's largest-ever seizure of cryptocurrency in the terrorism context.

These three terror finance campaigns all relied on sophisticated cyber tools, including the solicitation of cryptocurrency donations from around the world. The action demonstrates how different terrorist groups have similarly adapted their terror finance activities to the cyber age. Each group used cryptocurrency and social media to garner attention and raise funds for their terror campaigns. Pursuant to judicially authorized warrants, U.S. authorities seized millions of dollars, over 300 cryptocurrency accounts, 4 websites and 4 Facebook pages all related to the criminal enterprise.

Funds successfully forfeited with a connection to a state sponsor of terrorism may in whole or in part be directed to the [United States Victims of State Sponsored Terrorism Fund](#) after the conclusion of the case.

For more information, see [Global disruption of three terror finance cyber-enabled campaigns](#).

Reminders

- For the latest on IRS operations visit [IRS Operations During COVID-19](#).
- [Coronavirus Tax Relief and Economic Impact Payments](#).
- The IRS [Economic Impact Payments: Partner and Promotional Materials](#) page has the latest products to share with low-income or underserved constituents and the agencies and organizations that serve them in your district and state.
- [Where's My Refund?](#)
- [How to get a tax transcript](#)
- [Notice Mailings - Some Due Dates Extended to Help Taxpayers](#).
- [Small Business/Self-Employed Annual Report \(.pdf\)](#) (Publication 5409)
- [Get the tax information you need in 21 languages](#).
- [Taxpayer First Act](#).

Help on IRS.gov

[Filing](#) – [Payments](#) – [Refunds](#) – [Credits & Deductions](#) – [Forms & Instructions](#) – [Tax Questions](#)

IRS in other languages

[Spanish](#) - [Chinese](#) - [Korean](#) - [Russian](#) - [Vietnamese](#) - [ASL](#) (YouTube)

IRS on social media

[YouTube](#) – [Twitter](#) – [Instagram](#) - [Facebook](#)

IRS2Go is the official mobile app of the IRS, available in both English and Spanish.

The *IRS Congressional Update* is a monthly newsletter prepared by IRS Legislative Affairs. For information on resolving taxpayer account issues, visit [Taxpayer Advocate Service](#).