

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Has Answers to Questions People Are Asking About Economic Stimulus Payments; IRS Urges People to Visit IRS.gov

IR-2008-70, May 7, 2008

WASHINGTON — As millions of Americans begin receiving their economic stimulus payments, the Internal Revenue Service released a list of the most-frequently-asked questions — and answers — that people now are asking.

“Many people have questions about the stimulus payments, and the IRS has the answers available on the IRS.gov Web site,” IRS Commissioner Doug Shulman said. “The stimulus payments are automatic for eligible taxpayers who filed a 2007 tax return, and taxpayers do not need to take any additional action to receive the payment.”

Stimulus payments started going out last week, and the initial round of payments will continue on a weekly basis through mid-July. In all, nearly 130 million payments will go out this year. Last week, 7.7 million payments were direct deposited, and the first mass production of paper checks begins Thursday.

Since last week millions of Americans have visited IRS.gov and called the IRS toll-free lines. The IRS reminded taxpayers the fastest way to get answers is to visit IRS.gov, which has payment schedules and other information.

Since the payments began, the IRS has been fielding a variety of questions centered on the payment schedule, factors affecting direct deposit of payments, eligibility requirements and questions about the payment amounts. The IRS today released an updated set of Frequently Asked Questions covering everything from when someone can expect the payment to whether it will be delivered electronically or on paper. The Frequently Asked Questions are listed at the end of this document.

The most common question has been when people can expect their payments. Economic stimulus payments will be issued according to the last two-digits of the taxpayer’s Social Security number. For joint filers the payments will go out based on the last two digits of the Social Security number of the person listed first on the return. Payments will be made by either direct deposit or paper check, based generally on the option people chose when they filed their 2007 tax returns.

The payment schedule below is for people who filed early enough to have their tax returns processed by April 15.

Direct Deposit Payments For Returns Processed by April 15	
If the last two digits of your Social Security number are:	Payments will be transmitted no later than:
00 – 20	May 2
21 – 75	May 9
76 – 99	May 16
Paper Checks For Returns Processed by April 15	
If the last two digits of your Social Security number are:	Payments will be mailed no later than:
00 – 09	May 16
10 – 18	May 23
19 – 25	May 30
26 – 38	June 6
39 – 51	June 13
52 – 63	June 20
64 – 75	June 27
76 – 87	July 4
88 – 99	July 11

The payment schedule is a general guideline and several factors could affect payment timing. For instance, some paper returns filed but not processed by April 15 could result in payments later than the scheduled date. In addition, a small percentage of tax returns will require additional time to process and to compute a stimulus payment amount. For these returns, stimulus payments may not be issued in accordance with the schedule above, even if the tax return was filed by April 15. Finally, taxpayers who file after April 15 will get a stimulus payment after their tax return is processed.

The most common questions and answers are part of an [extensive listing of FAQs](#) that address various aspects of the economic stimulus program. Other economic stimulus information is also on IRS.gov.

Most Frequently Asked Questions Regarding Stimulus Payments

Q. When will I get my payment?

A. Payments are going out now for those returns processed by April 15 and will continue on a weekly schedule through mid-July. See the [payment schedule](#) for both direct deposit and paper checks for further information. Payments will continue through 2008 for returns filed after April 15.

Q. I filed after April 15 and the payment date for my Social Security number has passed. How long will it take for me to get my stimulus payment?

A. It will generally take a minimum of six weeks after you file your return to get your stimulus payment.

Q. I filed my return on time, but I haven't received my stimulus payment, even though the payment date listed for my Social Security number has passed. Why?

A. In general, the payment schedule only applies if your return was received and the IRS finished processing it before April 15. If you filed your return on time, but close to the April 15 deadline, the IRS may not have finished processing it before April 15.

Processing times for tax returns and stimulus payments vary. If you are getting a regular income-tax refund, the IRS will send you that refund first. Normally, your stimulus payment will follow one to two weeks later.

If you are not expecting a regular tax refund, your stimulus payment generally should arrive a minimum of six weeks after you file.

Also, if you chose direct deposit and requested a Refund Anticipation Loan (RAL) or had your refund deposited into more than one account, you will receive a paper check based on the distribution schedule for paper checks.

Q. I chose direct deposit for my 2007 tax refund but also requested a refund anticipation loan (RAL) from my preparer. How does that affect my stimulus payment?

A. Taxpayers who use Refund Anticipation Loans (RALs) or enter into any other loans or financial agreements with a tax professional, such as agreeing to have return preparation fees deducted from their refunds, cannot receive their stimulus payments by direct deposit and instead will get paper checks based on the paper check distribution schedule.

Q. Will the IRS allow me to provide it with direct deposit information, if I didn't include that information on my original tax return?

A. You cannot correct direct deposit information or request a direct deposit after a return has been filed.

Q. Is there something I can do to prevent my stimulus payment from being automatically deposited into the account that I identified for the direct deposit of my regular refund?

A. Generally, if you designated direct deposit on a tax return, the stimulus payment will go to the account number you designated. If the account number is no longer active, the IRS will send you a paper check. This process may take several weeks.

Q. I received my stimulus payment, but it was less than what my friends and neighbors received. Why?

A. Your economic stimulus payment is based on information provided on your 2007 income tax return.

Many but not all taxpayers qualify for the maximum basic payment of \$600 for singles or \$1,200 for married couples. Many parents are also receiving an additional \$300 for each qualifying child, born after Dec. 31, 1990.

Your payment may be less than the maximum for one or more of the following reasons:

- You are single and your net income tax liability is less than \$600. If you file Form 1040 net income tax liability is the amount shown on Line 57, plus the amount on Line 52.
- You are married and your net income tax liability is less than \$1,200.
- You are single and your adjusted gross income (AGI) is more than \$75,000. On Form 1040, AGI is the amount on Line 37.
- You are married filing a joint return and your AGI is more than \$150,000.
- You owe back taxes that reduced your payment.
- You have non-tax federal debts such as unpaid student loans or child-support obligations that reduced your payment.

Around the time you receive your payment, you will also receive a notice from the IRS explaining how your payment was calculated. It is important to keep this notice as a record of your economic stimulus payment. In addition, you'll get a separate notice if you owe back taxes or non-tax debts that were offset or deducted from your stimulus payment.

The “ [Stimulus Payments: Answers to Frequently Asked Questions](#)” section of this Web site has further details on how these payments are figured.

Q. The notice I received shows I should have gotten more than the government actually deposited into my bank account. What happened?

A. It could be that the amount deposited into your bank account was what remained of your stimulus payment after it was reduced, or offset to collect back taxes or other debts

such as a student loan or child support. If this is the case, you will receive a separate notice about two weeks after you receive your stimulus payment and notice.

Q. I have moved since filing my 2007 tax return. How will my payment reach me?

A. You should file a Form 8822 with the IRS and a change of address notice with the U.S. Postal Service. This will ensure your check is sent to your new address. Without your current address, the check could be returned to the IRS as undeliverable.

Q. I chose direct deposit for my 2007 tax refund but also requested my electronic filing and/or tax preparation fees be deducted from my refund. Does that affect my stimulus payment?

A. If you requested that your electronic filing or tax preparation fee be deducted from the amount of your refund, you have entered into a financial agreement with the tax preparation provider or e-file software company for a refund anticipated check (RAC). Both Refund Anticipation Checks (RACs) and Refund Anticipation Loans (RALs) are bank products. The money that is deposited into your bank account comes from the financial institution associated with your electronic filing software provider or tax preparation provider, not directly from the IRS. Taxpayers who use RALs, RACs or enter into similar loans or financial agreements with their tax professional or tax software companies will not receive their economic stimulus payments by direct deposit. Instead they will get a paper check that will be issued according to the schedule that has been published for paper check distribution.

Q. I chose to have my tax refund deposited onto a "stored value card" or debit card through the professional tax preparer I used. Will my stimulus payment be directly deposited onto that same stored value card or debit card account?

A. Yes, unless you requested a refund anticipation loan (RAL) through your tax professional or the stored value card or debit card account has been closed, in which case you will receive your economic stimulus payment by paper check. Because the IRS must wait until the money is returned, this process may take several weeks.

Q. I received a stimulus payment and I want to verify that it is correct. How do I figure the payment, myself?

A. The easiest way to figure the amount is to use the [Economic Stimulus Payment Calculator](#) on the IRS.gov Web site. Essentially, there are two parts to the stimulus payment: a basic amount based on tax liability, filing status or other qualifying income, if there is no tax liability, and an additional amount based on whether a qualifying child is reported on the return.

Basic Amount of Payment: If you had a net income tax liability for 2007, you will generally receive a payment, unless you can be claimed as a dependent on someone else's return, had higher income or do not have a valid Social Security number.

Your net income tax liability is one of the following:

- On Form 1040, the amount shown on Line 57 plus the amount on Line 52;

- On Form 1040A, the amount shown on Line 35 plus the amount on Line 32; or
- On Form 1040EZ, the amount on Line 10.

NOTE: Net income tax liability is not the same as the amount of tax withheld from your pay, the amount of your refund or the balance due on your return.

Your stimulus payment is equal to your net income tax liability, but no more than \$600, if you are single, or \$1,200, if you are married filing a joint return.

If you had no net income tax liability for 2007, you are usually getting a minimum payment of \$300, if you are single, or \$600, if you are married filing jointly, as long as you had qualifying income of at least \$3,000 in 2007. To figure your qualifying income, add together the following amounts:

- Wages that are reported on Form W-2;
- Net self-employment income that is taken into account in computing taxable income;
- Social Security benefits reported in box 5 of the 2007 Form SSA-1099 you received in January 2008. If you don't have this form, you can estimate your annual benefit by multiplying your monthly benefit by the number of months (usually 12) you received benefits during 2007;
- Certain Railroad Retirement benefits reported in box 5 of the 2007 Form RRB-1099 you received in January 2008;
- Veterans' benefits received in 2007, including veterans' disability compensation and disability pension or survivors' benefits received from the Department of Veterans Affairs. You can estimate your annual benefit by multiplying your monthly benefit by the number of months during 2007 you received benefits;
- Nontaxable combat pay if you chose to include it as earned income on your 2007 return.

Note: Supplemental Security Income (SSI) is not considered qualifying income and is not included for the purpose of establishing eligibility for the stimulus payment.

Additional Amounts for Qualifying Child: If you qualify for the basic amount, you may receive an additional \$300 for each qualifying child. To qualify, a child must be younger than age 17 and have a valid Social Security number.

Phase Out: Your payment is reduced, or you may receive no payment at all based on your income level. The stimulus payment begins to phase out for individuals with adjusted gross incomes (AGI) over \$75,000 and married couples who file a joint return with AGI over \$150,000. The combined payment is reduced by 5 percent of the income above the AGI thresholds. Your AGI is the amount shown on:

- Form 1040, Line 37

- Form 1040A, Line 21, or
- Form 1040EZ, Line 4

Q: I normally don't need to file a tax return. How do I know if I'm one of those people who may be eligible to receive an economic stimulus payment?

A: This group includes some recipients of Social Security, Railroad Retirement or veterans' benefits as well as taxpayers who do not make enough money to normally have to file a 2007 tax return. For example, this can include low-income workers, those who receive Social Security benefits or those who receive veterans' disability compensation, pension or survivors' benefits from the Department of Veterans Affairs. These people will be eligible to receive a payment of \$300 (\$600 on a joint return), if they had at least \$3,000 of qualifying income.

Qualifying income includes Social Security benefits, certain Railroad Retirement benefits, certain veterans' benefits and earned income, such as income from wages, salaries, tips and self-employment. For people filing joint tax returns, only a total of \$3,000 of qualifying income from both spouses is required to be eligible for a payment.