

Mixed-Status Families: Eligibility for New COVID-19 Relief Stimulus Checks



Jackie Vimo, National Immigration Law Center

December 23, 2020

Overview

I. CARES Act Stimulus Payments: Who Was Left Out?

II. New COVID RELIEF BILL Payments:

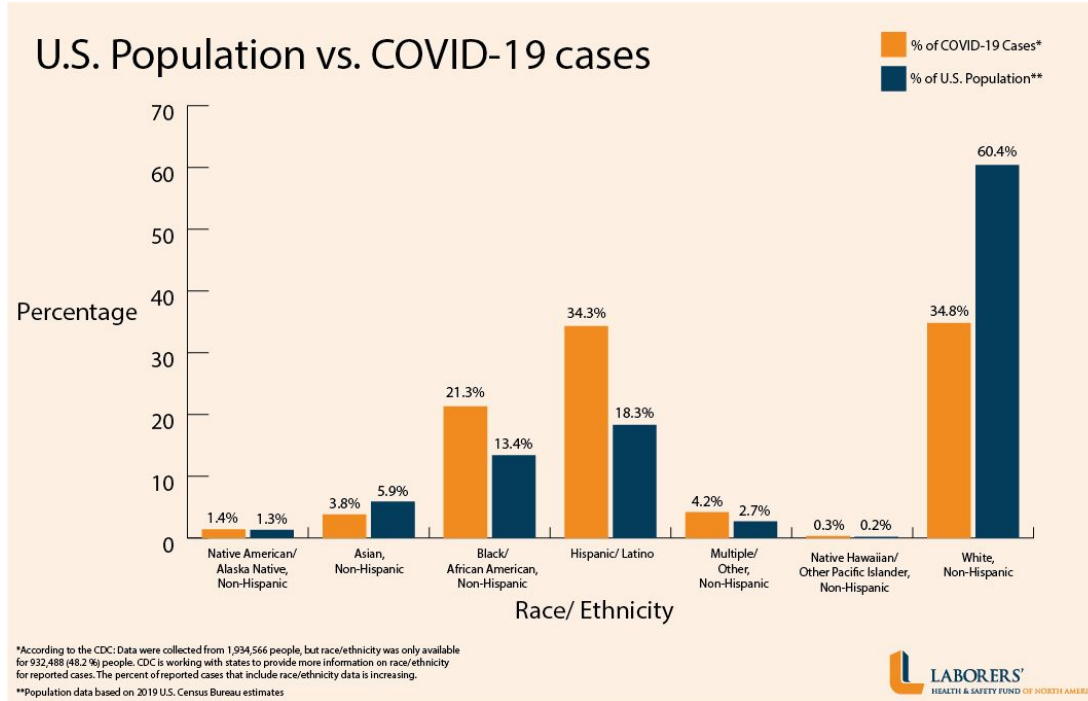
A. Who is eligible?

B. How will I receive my check?

C. Do I need to worry about “public charge”

III. Gaps and Next Steps

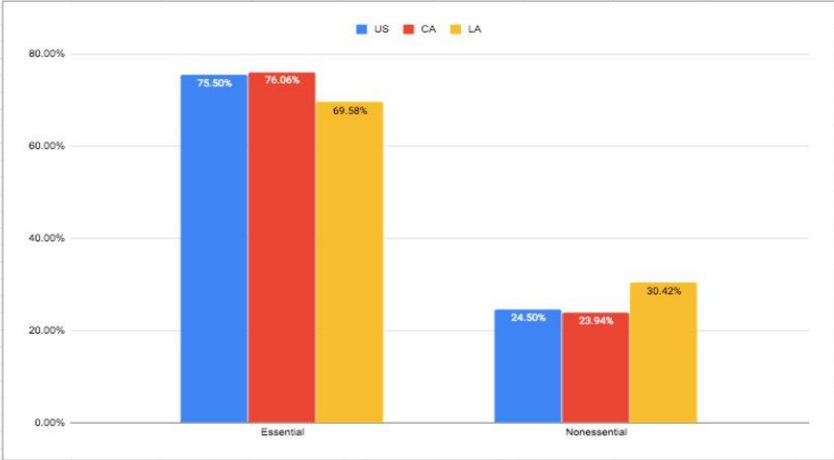
COVID-19's Disproportionate Impact



Rates of hospitalization and death were twice as high in black communities and four times as high in latinxs and native communities.

80% of Essential Workers = Immigrants

Figure 4: Employment Composition of COVID-19 Essential and Nonessential Sectors for Mixed-Status Family Members in the United States, California, and Los Angeles County



Source: DHS/CISA, IMPLAN sectoral data, labor composition by authors.

Source: <https://irle.ucla.edu/2020/08/10/essentialworkers/>

The CARES Act: Who Was Left Out?

The CARES Act Economic Impact Payments (EIPs)

CARES Act Stimulus Checks:

- One-time direct payment of **\$1,200** per adult plus **\$500** for each child under the age of 17 for individuals earning less than \$75,000.
- Required a Social Security Number (SSN) and work authorization.
- For mixed-status families, if spouses filed jointly and one filed with an Individual Taxpayer Identification Number (ITIN), then the entire household was ineligible.

The CARES Act Left Out Millions of Immigrants



Health care



Unemployment
Insurance +
cash assistance



Food and nutrition

New Stimulus Checks: Am I Eligible?

Immigrant Families Included in COVID Relief Bills

COVID Relief Bill	Adults	Kids	Total
HEROES Act (all SSN + ITIN Filers)	6.35 mil.	3.12 mil.	9.5 mil.
DECEMBER BILL (some Mixed-Status)	1.75 mil.	1.72 mil.	3.5 mil.
ALL mixed families (incl. ALL SSN kids)	1.75 mil.	2.72 mil.	4.5 mil

STILL EXCLUDED:

- ALL ITIN filers
- **2 MILLION CHILDREN**
- **1 MILLION** children in mixed-status families with SSNs who do not have at least one parent with a valid SSN and work authorization

Q + A: The New Stimulus Checks

How will these new payments work?

These payments are an expansion of the Economic Impact Payments the IRS issued earlier in 2020 as part of the CARES Act. The IRS will use the data it already has in its system to begin making payments at the end of December through the first two weeks of January. If the IRS has your direct deposit information, you will receive a payment that way. If it does not, you will receive your payment as a check or debit card in the mail. If you are eligible but don't receive your check for any reason, you can claim the payment when you file your 2020 taxes in the spring of 2021.

Who is eligible to receive these payments?

Any person that has a valid work-eligible Social Security number (SSN), is not considered as a dependent of someone else, and whose adjusted gross income (AGI) does not exceed certain thresholds (see below), is eligible to receive the credit. This means workers, those receiving veterans benefits, Social Security beneficiaries, and others are all eligible.

- Spouses of military members are eligible without an SSN.
- An adopted child can use an Adoption Tax Identification Number to be eligible.

Q + A (continued)

Is there a change in eligibility for couples where one spouse has an SSN, but one spouse does not?

Yes. Under the CARES Act, joint returns of couples where only one member of the couple had an SSN were ineligible for a rebate. This latest round of relief changes that provision. These families will now be eligible to receive payments for the members of the family that have SSNs. This change is retroactive, meaning that those who fall under this category who missed out on the first round of EIPs can claim that money when filing 2020 tax returns in the spring of 2021.

How much money will those eligible receive?

The full credit amount is **\$600** per individual, **\$1,200 per** couple, and **\$600** for children. It is available for individuals with AGI at or below \$75,000 (\$112,500 for heads of household), and couples with AGI at or below \$150,000. If you have children, you will receive an additional \$600 per child.

For those above this income level, your tax rebate amount will be reduced by \$5 for each \$100 your AGI exceeds the above thresholds.

This means:

- An individual without children will not receive any rebate if their AGI exceeds \$87,000.

Q + A (continued)

How will the IRS determine who receives a payment and how much that payment will be?

The IRS will use the same methodology for calculating payments as it did for the first round of Economic Impact Payments.

Do rebate checks need to be repaid?

Unless obtained by fraud, rebate checks do not need to be repaid. If an individual experienced an income loss in 2020 or if they have an increase in family size, they may be able to claim an additional credit of the difference when the individual files their 2020 tax federal income tax return in Spring of 2021.

The IRS does not have my direct deposit information. Will I receive a payment?

Yes. If you are eligible and the IRS does not have your direct deposit information, you will receive your payment as a paper check or a debit card as long as the IRS has your address. If the IRS does not have updated contact information for you, you will have the opportunity to claim the payment when you file a tax return in spring 2021.

Q + A (continued)

Can you receive a rebate check if you are claimed as a dependent on another taxpayer's tax return?

No. Someone who is claimed as a dependent on another taxpayer's tax return is not eligible to receive the \$600 refund check themselves.

Can you receive a \$600 child credit for a dependent claimed on your tax return if that child is 17 or older?

No. Children 17 and older are not eligible for the \$600 per child tax credit.

Are non-tax filers eligible to receive a rebate check?

Yes. For those with taxable income, you will need to file a tax return for the 2020 tax year, which you can do during the coming filing season that is expected to begin in late January and end on April 15, 2021. Those with little or no taxable income are encouraged to use the IRS' Free File Program which can be viewed [here](#).

Other than Social Security beneficiaries (retirement and disability), railroad retirees, and those receiving veterans benefits, individuals with no taxable income will be able to file a simple form provided by the IRS specifically for the purpose of receiving the rebate check.

Q + A (continued)

Are the rebate checks considered taxable income?

The credit is not taxable, consistent with other refundable tax credits.

Can families with children born in 2020 receive the \$600 child credit?

Yes, but action is required. A family with a child born in 2020 is eligible for the \$600 per child rebate amount (assuming all other requirements are satisfied). The IRS will calculate the payment based on the most recent tax data in its system. If a child was born since the family's last filing, the family will not automatically receive the \$600 rebate amount for the child born in 2020. To receive the credit the family can claim the \$600 credit on their 2020 tax return filing made in spring 2021.

What if I'm eligible for a payment but never received a round 1 payment or a round 2 payment?

If you believe you are eligible for an economic impact payment but did not receive a round 1 or round 2 payment, you will have the opportunity to claim the payment on your 2020 tax return. This year's tax forms will provide a place for individuals to claim the payments. If you don't normally file taxes and are eligible for a payment, make sure to file a return this spring to claim the payments.

Do I Need to Worry About Public Charge?

COVID-19 Testing/Care ≠ Public Charge



**U.S. Citizenship and
Immigration
Services (USCIS)**

“USCIS encourages all those, including immigrants, with symptoms that resemble Coronavirus 2019 (COVID-19) (fever, cough, shortness of breath) to seek necessary medical treatment or preventive services. Such treatment or preventive services will not negatively affect any alien as part of a future Public Charge analysis.”

New Benefits Counted in Trump “Wealth Test”

- **Medicaid**
- **SNAP** (Food Stamps)
- **Housing** (Section 8, etc..)

Benefits Considered in the Past (and still counted):

- CASH/TANF
- Long-term institutionalization

**STIMULUS CHECKS AND OTHER TAX CREDITS ARE NOT
INCLUDED IN THE PUBLIC CHARGE TEST**

For Questions and Info About Public Charge: www.KeepYourBenefits.org

NEXT STEPS: BEYOND COVID?