



# AFSCME Facts

## **Stimulus Checks for Individuals Under the American Rescue Plan March 19, 2021**

The American Rescue Plan Act of 2021, which was signed into law by President Biden on March 11, includes a much-needed third round of stimulus checks, also called economic impact payments, that will provide financial assistance to millions of individuals and families. The payments will also stimulate economic activity that provides revenue for state and local governments. This fact sheet provides an overview of the new payments.

### **Who is eligible for the new stimulus checks?**

All U.S. residents, subject to the income limits described below and who are not a dependent of another taxpayer, are eligible. Unlike with the two previous stimulus payments, families will get a payment for all their dependents claimed on a tax return, not just their qualifying children under 17. For example, parents can now receive a payment for an adult child who is a college student and whom they claim as a dependent.

To qualify, individuals, their spouses and children generally must have a Social Security number (SSN). Joint filers where only one spouse has an SSN will normally be eligible. If either spouse is an active member of the U.S. Armed Forces at any time during the taxable year, only one spouse needs to have a valid SSN for the couple to receive a payment.

### **Are retirees eligible?**

Yes, if they are not the dependent of another taxpayer.

### **How much is the payment?**

The American Rescue Plan provides up to \$1,400 for each person, including dependents, depending on income level. For example, a family of four eligible for full payments will get \$5,600 in total. These payments are in addition to the up-to \$600 payments made earlier this year under the Consolidated Appropriations Act (CAA). Therefore, most individuals will have received \$2,000 in total payments under the American Rescue Plan and the CAA combined.

### **Who gets full \$1,400-per-person payments?**

**Individuals with \$75,000 or less per year in adjusted gross income (AGI), and couples (as well as certain qualifying widows and widowers) with \$150,000 or less will receive the full \$1,400-per-person benefit. Heads of household with AGI equal to \$112,500 or below also get full payments.**

**Who gets lower payments or is not eligible based on income?**

Payments are phased out for people with incomes above the full-benefit thresholds described above. For example, a single person with no dependents and an AGI of \$77,500 will normally get a \$700 payment (half the full amount). A married couple with two dependents and an AGI of \$155,000 will generally get a payment of \$2,800 (again, half the full amount). Individuals will not receive a payment if their income exceeds certain levels. The table below shows the income levels at which payments begin to phase out and are completely phased out.

<b>Filing Status</b>	<b>Payments Begin to Phase out at Incomes Above</b>	<b>Payments Are Completely Phased out at Incomes Above</b>
<b>Single</b>	\$75,000	\$80,000
<b>Head of Household</b>	\$112,500	\$120,000
<b>Joint and Qualifying Widows and Widowers</b>	\$150,000	\$160,000

**Which year of income determines eligibility?**

The IRS will use available information to determine eligibility and issue these payments to eligible people who:

- Filed a 2020 tax return.
- Filed a 2019 tax return if the 2020 return has not been submitted or processed yet.
- Did not file a 2020 or 2019 tax return but registered for the first Economic Impact Payment using the special Non-Filers portal last year.
- Are federal benefit recipients as of December 31, 2020, who do not usually file a tax return and received Social Security and Railroad Retirement Board benefits, Supplemental Security Income (SSI) and Veteran benefit recipients in 2020. The IRS is working with these agencies to get updated information. IRS.gov will have more details.

**Do I need to apply?**

No. The funds will be sent via direct deposit if you have already provided the Internal Revenue Service (IRS) with your bank account information, such as for the deposit of a tax refund. If you received previous stimulus checks into your currently active account, then you are all set. If the IRS does not have your account information, you will likely get a check or debit card in the mail. You can check on the status of your payment by visiting the IRS's [Get My Payment](#) website.