

## Accessing the Third Stimulus Payments for People Traditionally Excluded from the Tax System

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The Internal Revenue Service (IRS) has disbursed some of the third COVID-relief stimulus payments, and more are on the way. The eligibility requirements for these most recent Economic Impact Payments (EIPs) have changed from last year's checks. Therefore, service providers and others working in the community are considering best practices to ensure that unhoused, unbanked, and immigrant communities receive the third payment and any previous payments they may qualify for. Below is guidance on accessing the Economic Impact Payments (also called stimulus payments or checks) for people traditionally excluded from the tax system.

We compiled these frequently asked questions to support those who work with unhoused, unbanked, and/or immigrant communities, as well as the people directly impacted, in understanding how to access their stimulus payment. Resources and questions for incarcerated individuals can be found [here](#). **This FAQ is not legal or tax advice and not intended to address specific situations.**

### 1. What Economic Impact Payments am I eligible for?

Eligibility for the payments varies. Even if you have an annual income of \$0, you may still be eligible for the full stimulus payments. However, you are not eligible if you can be claimed as a dependent on another taxpayer's tax return. This table will help you determine eligibility for each stimulus payment.

1 <sup>st</sup> Stimulus Payment	2 <sup>nd</sup> Stimulus Payment	3 <sup>rd</sup> Stimulus Payment
<b>Amount</b>		
\$1,200 each for taxpayer and spouse	\$600 each for taxpayer and spouse	\$1,400 each for taxpayer and spouse
\$500 for each qualifying dependent under age 17	\$600 for each qualifying dependent under age 17	\$1,400 for each qualifying dependent of any age (including college students, adults with disabilities, etc.)
<b>Income Eligibility</b>		
Income to receive full amount of any of the three payments, with payment phasing out above limits:		
<ul style="list-style-type: none"> <li>• <u>Single Filer</u> with adjusted gross income up to \$75,000</li> <li>• <u>Joint Filer</u> with adjusted gross income up to \$150,000</li> <li>• <u>Head of Household Filer</u> with adjusted gross income up to \$112,500.</li> </ul>		

SSN and ITIN Eligibility		
<p><u>Single filer or head of household</u>: must have a SSN that is valid for employment.</p> <p><u>Joint filer</u>: both taxpayers must have a valid SSN.</p>	<p><u>Single filer or head of household</u>: must have a valid SSN.</p> <p><u>Joint filer</u>: one taxpayer must have a valid SSN.</p>	<p>Any member of the household can file, but payment will only be received for people with a valid SSN (e.g., households qualify if parents have an ITIN, but the child has a valid SSN).</p>
<p>Note: Originally, joint filers could only receive the first payment if both taxpayers had a valid SSN, unless one member was in the military. However, taxpayers with SSNs married to ITIN filers, and their children with SSNs, were made retroactively eligible and came claim the Recovery Rebate Credit.</p>		
<p>If you qualified for the first two Economic Impact Payments but did not receive them, or received less than the full amount due to the restrictions that were later lifted, you can request these funds through the <b>Recovery Rebate Credit</b> on your 2020 <b>IRS Tax Form 1040</b> tax return line 30.</p>		
How to Get the Payment		
<p>Most eligible people will receive the third payment automatically based on available information the IRS has on file from filing a 2019 or 2020 tax return or using the non-filers portal for the first or second stimulus payment. Recipients of Supplemental Security Income (SSI), Social Security, Railroad Retirement Board, and/or Veteran Affairs (VA) benefits should get the payment automatically the same way they receive regular benefit payments. Filers may need to complete additional paperwork to claim the stimulus payment for any qualifying dependents.</p> <p>If you have <u>not</u> filed taxes in the last few years or have never filed taxes you will need to file a 2020 tax return to receive the payments; the filing deadline has been extended through May 17, 2021. The information below will hopefully clarify the process, especially for unhoused, unbanked, and/or immigrant filers!</p>		

## 2. I'm a young person, but I am financially independent from my parent or legal guardian. Am I eligible for the stimulus payments?

Young adults ages 16-24 who are emancipated, in the foster care system, estranged from their parents, and/or experiencing homelessness can file their taxes independently and receive all three payments if they meet all other requirements (question 1). It is illegal for a parent to claim an independent child who is not financially supported by them. This [resource](#) details what a young adult incorrectly claimed as a dependent can do to correct the issue.

Similarly, young adults enrolled in a college or university can claim the recovery rebate credits and receive the third stimulus payment if they are independent from their parent or guardian for tax purposes. You do not have to be classified as an independent college student on your FAFSA or by the financial aid office to receive these payments, but you must fit *one or both* of the following conditions:

- a. You lived apart from your parent, guardian, or any other relative who could claim you as a dependent for more than six months out of the year. Temporary absence from the home for purposes of education does not count.

- b. You provided 50 percent or more of your own **financial support**.

Students who are not claimed as dependents and who pay for tuition may also be eligible for the **American Opportunity Tax Credit (AOTC)** when filing taxes.

Note that some scholarships or grants (reported on a **1098-T form**) are considered taxable income when used to pay for room and board. As a result, low-income students who receive substantial grant funding and work part-time could owe money to the government. We encourage students in this situation to review their financial aid package and individual scholarships, as well as consult with a tax specialist where possible.

### 3. Are DACA recipients eligible for the Economic Impact Payments?

Yes, **qualifying residents** are eligible for the payments so long as they have a valid SSN and may not be claimed as a dependent on another taxpayer's return (question 2). Review more information for DACA recipients filing taxes [here](#).

### 4. I don't file taxes. Can I use the "non-filer" tax tool on the IRS site?

No, the non-filer tool is no longer available to claim any stimulus payments. Individuals must file a 2020 tax return to receive the third stimulus or claim previous amounts through the 2020 Recovery Rebate Credit if you qualified for receiving the first two payments but did not receive them.

### 5. Will the Economic Impact Payment (EIP) affect my other government benefits, such as SNAP?

No, the stimulus payments are treated as a tax credit. This means your payment will not impact the benefits you receive now or in the future.

### 6. How are payments being sent?

Payments **will be sent** by direct deposit or by mail as **a paper check** or **EIP debit card**. Both payment types will arrive in a white envelope with the U.S. Department of the Treasury's blue and yellow seal on the front.

People who have not filed before will need to provide a mailing address or bank account information on their tax returns to receive the payment.

- **I don't have a bank account but want to open one before filing 2020 tax returns.** Direct deposit payments are the quickest way to receive any stimulus or tax refunds. **This list** includes banks and credit unions that don't require a minimum deposit to open an account if you would like to do so before filing. To receive the payment through direct deposit, you will need to include the bank account and routing numbers on your tax return. You can ask your financial institution for assistance in locating these numbers if needed.
- **I don't have a bank account. Where will the payment be sent?** If you have recently closed or changed bank account information, the check will be sent by mail to the address on file. See question 7 for advice on where to have the payment sent if you do not have a stable address.

- **My account is overdrawn, will the bank take my stimulus payment?** Each bank and credit union has different guidelines for overdraft accounts. While some have forgiven the overdrawn amount or put in place temporary exceptions, it's best to **call your bank** or credit union and ask about flexibility to ensure you receive the full stimulus payment.

## 7. What if I do not have a stable address?

Anybody without a stable address can list the home address of a friend or relative, the local shelter, soup kitchen or post office, or a trusted nonprofit in their community. You will want to notify the person who will receive the check or debit card to be on the lookout for your payment. Here is a **directory of shelters and other resources** for people experiencing homelessness.

## 8. I have never filed taxes before because I never made enough income, so what do I need?

Even if you didn't make any income, you can still receive the EIPs by filing **IRS Tax Form 1040 or 1040-SR**. To complete the form, you will need the following information:

- Social Security number or Individual Taxpayer Identification Number (ITIN) for yourself and anyone in your household who is a qualifying dependent and that you will claim on your tax return. Only dependents with an SSN qualify for the stimulus payment
- Date of birth and SSN/ITIN for all persons included on your tax return
- Mailing address
- Bank account information, if applicable
- **W-2, 1099-NEC** or **1099-MISC**, or other record of your annual income, if applicable. Please note that some scholarships or grants (**1098-T**) may be taxable income.
- You may be asked to provide additional information such as proof of identification (photo ID) or a Social Security card if using an in-person tax service, but not if you file online (see question 10 for information about online filing).

## 9. I don't have an Individual Taxpayer Identification Number (ITIN). How do I apply for one?

To file for an ITIN, you can **submit form W-7** and either mail your form and supporting documents or locate an in-person processing center. If renewing an existing ITIN, you can complete the same form, Form W-7, without filing a tax return.

- **I would like to submit my application in person.** You can bring your documents to a **Certified Acceptance Agent (CAA)** for processing, but these CAAs are not as easily accessible for people living in rural areas. While the IRS does not charge a fee for applying for an ITIN, CAAs may charge—you should ask up front about any fees.
- **I prefer to mail my ITIN application.** Complete Form W-7 and mail it with your tax return, and original or certified copies from the original issuing agency of **supporting documentation**. Your documents will be returned to you, but there may be delays. All forms should be mailed to: Internal Revenue Service, Austin Service Center ITIN Operation, P.O. Box 149342, Austin, TX 78714-9342.

## 10. Where can I file taxes?

You have several free ways to file online or to receive in-person support to file your taxes. If you don't have access to the internet, your local library or community center may have computers available to the public for limited hours. You may encounter increased wait times for hands-on filing services due to the pandemic and availability of in-person sites. Here are a few options:

- **IRS Free File.** If your income in 2020 was \$72,000 or less, you can use one of the tools available here. One of them is available in **Spanish**.
- **MyFreeTaxes.** You can file yourself or be connected to a VITA service.
- **IRS's Volunteer Income Tax Assistance (VITA).** This program offers basic tax return preparation to people who generally make \$57,000 or less, those with disabilities, and people who speak limited English. We suggest reviewing **"what to bring"** and calling your local site before arriving, as some sites may require appointments, vary in services, or only operate online this year.
- **AARP Foundation.** You can locate a tax aid by navigating to this link and entering your zip code. AARP focuses on taxpayers over 50 with limited or moderate income.
- **GetYourRefund.** Free tax filing you can complete yourself or get connected to a VITA service.

## 11. When is the last day to file taxes?

The IRS has extended the 2020 federal tax deadline to May 17<sup>th</sup> from April 15<sup>th</sup>. However, each state may have a different state income tax return deadline. It's best to check **your state's** guidelines as changes are occurring every day.

In general, tax filers have up to 3 years from the filing deadline to submit a return for an unclaimed credit. If you are **not otherwise required to file taxes** (e.g., in 2020, you made less than \$12,400 as a single filer), you can file to claim the Recovery Rebate Credit *after* May 17<sup>th</sup> without penalty. We do not yet know whether there will be an alternative way to claim the advance Child Tax Credit (CTC), so tax filers with children in the household should try to file before the deadline if possible (question 14).

## 12. I may not have enough time to file by the deadline. What can I do?

You may file a **free extension** using Form 4868 on **FreeFile**. The form asks for estimates of your and your spouse's 2020 tax liability, meaning the amount of tax you're responsible for paying. You need to submit the extension request form and taxes owed for 2020 by the original tax return due date. Once approved, you will have until mid-October to file your tax return. We suggest reviewing any details for your financial situation and decide if filing an extension is the best option.

## 13. I filed, now what?

Depending on if you will be receiving the payment through direct deposit or debit card, it can take about three weeks from the time the IRS receives your return. You may have a longer wait if you filed by mail. You can check the delivery status of the third payment on the **IRS Get My Payment** site. However, the Get My Payment tool will not provide status on the first or second stimulus payment.

#### 14. How can I get the expanded Child Tax Credit (CTC)? Do I need to file my taxes?

In addition to the stimulus payments, you may be eligible for the expanded CTC, a refundable tax credit for families with children, which is being paid in monthly installments starting this summer. You can get the CTC even if you make \$0 in reported income in 2021, as long as your **child has an SSN** and your income is below the program income limits. You must file a tax return to get the CTC payments. Once you file, if you meet the eligibility requirements and claim the child on your return, the IRS is expected to begin distributing CTC payments beginning in July 2021. Even if tax filers have an ITIN, they can still claim the CTC for a child with an SSN.

#### 15. I think my stimulus payment may have been mailed somewhere else, and I never received it. What can I do?

You can use the **“Get my Payment”** IRS website to track whether your third Economic Impact Payment has been mailed or deposited into your account. If you accidentally threw the check away or it was sent to an address that you no longer have access to, you can request a **payment trace** to see if your check has been cashed. If it’s determined that it has not been cashed, the IRS will credit your account, but you need to claim the amount on the 2020 recovery rebate credit. If your EIP debit card was lost or stolen, call **Metabank** at (800) 240- 8100.

While stimulus payments will continue to be sent throughout the next few months, processing times have increased for ITIN application, IRS tax form 1040 filing, and payment distribution. We highly recommend starting the process as soon as possible to get the tax credits you’ve earned.

Please note, the IRS will **not contact** you by phone, email, or text to request personal or financial information. Please be aware that there are many stimulus payments scams out there and be vigilant. You can check the **IRS Economic Impact Payment** site for the most up-to-date information.