



# SUCCENTRIX

## Business Advisors

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## Everything You Need to Know About 2020 Stimulus Tax Credit Advance

- 1.) Stimulus checks will be based on your 2019 Tax return, or if 2019 has not been filed, your 2018 Tax return.
- 2.) Payments will be made using direct deposit or electronic payment information on your tax returns filed after 1/1/2018, or checks will be mailed. The IRS will allow individuals to update their banking information online in the coming days.
- 3.) If you receive payments from Social Security for Retirement or Disability and are not required to file a return, the government will use your direct deposit information used for your social security benefits.
- 4.) Payments will be based on your Adjusted Gross Income (this can be found on line 8b of your 2019 tax return or line 7 on your 2018 return).
  - a. **Single** filers who have AGI of \$75,000 or less will get the full refund of \$1,200, which will be phased out to zero for AGI of \$99,000.
  - b. **Head of Household** filers who have AGI of \$112,500 will receive the full refund of \$1,200, which will be phased out to zero for AGI of \$136,500.
  - c. **Married Filing Jointly filers** who have an AGI of \$150,000 will receive \$2,400, which will be phased out to zero for AGI of \$198,000.
- 5.) Taxpayers with dependent children will be given **\$500 per qualifying child**. This will also be reduced as AGI increases above the \$99,000/\$136,500/\$198,000 from the previous paragraph. Each \$10,000 increase in income will phase out \$500 of the credit. A qualifying child does not include:
  - a. Children 17 years of age and older.
  - b. College Students being claimed on their parents return.
  - c. Other Dependents claimed on returns (parents, grandparents, etc.).
- 6.) Stimulus checks will not be withheld or applied to any outstanding Federal or State Income tax debts or delinquent student loan debt. If you owe the IRS, you will still get a stimulus check if you qualify.
- 7.) More information can be obtained at <https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know>