



New Mexico Legal Aid, Inc.

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ANOTHER NEW DEADLINE FOR ECONOMIC IMPACT PAYMENTS: WHAT YOU NEED TO KNOW

This information is current as of April 24, 2020.

If a person or company to whom you owe money (for example, a landlord or a bank) is garnishing (or threatening to garnish) your economic impact payment, please call Grace Allison at the NMLA LITC, 505-768-6134.

Breaking News #1. If you

- had/have a “qualifying child” (see Question #6 below) in 2018 or 2019 or 2020, **and**
- receive *VA benefits* or *Supplemental Security Income* (“SSI”); **and**
- were not required to file (and in fact did not file) taxes for 2018 and 2019,
- **you will not receive your \$500/child economic impact payment next month unless, by Tuesday, May 5, you enter information about your children on the IRS website at www.irs.gov/coronavirus/non-filers-enter-payment-info-here.** Instead, you will receive your \$500/”qualifying child” payment in 2021, assuming you file a return for 2020 and have a “qualifying child” in 2020. You should still

receive your individual \$1,200 economic impact payment in mid-May of 2020.

Breaking News #2: If your benefits are deposited on a **Direct Express Account card**, you will have to wait to receive your economic impact payment by paper check—unless you *immediately* provide direct deposit information to the IRS at <https://www.irs.gov/get-my-payment>. You will not receive your economic impact payment in your Direct Express Account

Others Who Should Act Quickly.

- Those who are *not required* to file and *do not* receive Social Security, Railroad Retirement, VA or SSI benefits.

If you are in this category, you will not receive an economic impact payment unless you enter your information at www.irs.gov/coronavirus/non-filers-enter-payment-info-here.

- Those who filed 2018 and /or 2019 taxes, but did not include direct deposit information for their bank or credit union account.

If you are in this category, enter direct deposit information for your bank or credit union account at www.irs.gov/coronavirus/get-my-payment. The alternative? Waiting for a paper check.

You cannot change direct deposit information at “Get My Payment”. You can only add new direct deposit information.

- Those who were required to file in 2018 and 2019 but didn't.

If you are in this category, file your 2019 taxes electronically as soon as possible, including your direct deposit information at line 21. Free electronic filing is available at <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>. Otherwise, no payment.

Question #1: Will my economic impact payment get to me faster by direct deposit or by paper check?

Answer: Generally, direct deposit to a bank or credit union account is much faster. The IRS has already sent \$1.072 billion in economic impact payments to over 596,000 New Mexicans.

Question #2: Where can I set up a bank account or cash my economic stimulus payment check without paying a fee?

Answer: Guadalupe Credit Union and Rio Grande Credit Union will not charge to set up an account for economic impact payments or to cash EIP checks for nonmembers.

Question #3: I have a “qualifying child,” was not required to file taxes in 2018 or 2019 (and in fact did not file) and receive Social Security or Railroad Retirement Benefits. I missed the April 22 deadline to tell the IRS about my child. What will happen now?

Answer: You will receive your \$1,200 economic impact payment automatically, generally in the same way that you receive your benefits. However, you will not receive \$500 for your “qualifying child” until after you file your 2020 taxes in 2021.

Question #4: How will the IRS determine if I qualify for an economic impact payment?

Answer: As a low income taxpayer, if you have a social security number that entitles you to work, you will generally be eligible to receive the economic impact payment. Exception—if you can be claimed as a dependent on someone else’s taxes, you are not eligible—regardless of whether or not that person actually claims you.

Question #5: How big will my economic impact payment be?

Answer: The maximum amounts are:

- \$1,200 for an individual, including married individuals filing separately;
- \$2,400 for a married couple;
- \$500 for each “qualifying child” you have in 2018, 2019 or for some, 2020.

Question #6: Who is a “qualifying child”?

Answer: If you filed for 2018 and/or 2019, the IRS will look at the situation as of the end of the latest year (2018 or 2019) for which you filed.

A biological child, foster child, adopted child or stepchild – or grandchild, niece, nephew, brother, sister, stepbrother or stepsister – will generally be a “qualifying child” if she:

- was under age 17 at the end of 2018 (if you only filed 2018 taxes) or, was under age 17 at the end of 2019, if you filed 2019 taxes.

- lived with you for more than half of 2018, or more than half of 2019, whichever is applicable
- did not provide more than ½ of her own support in 2018 or 2019, whichever is applicable;
- did not file a joint return in 2018 or 2019, whichever is applicable;
- was a U.S. citizen, U.S. national or U.S. Resident in 2018 or 2019, whichever is applicable; and
- had a social security number that authorized her to work in 2018 or 2019, whichever is applicable.

If you aren't the biological or adoptive parent of your partner's child, that child is not your "stepchild" or "qualifying child."

Question #7: What if I receive government benefits by direct deposit and do not have a "qualifying child"?

Answer: If you are receiving:

- Social Security retirement or survivor's benefits,
- Social Security Disability benefits ("SSDI"),
- Railroad Retirement benefits,
- VA benefits, or
- Supplemental Security Income ("SSI")

by direct deposit into a bank or credit union account, the IRS will automatically send your \$1,200 economic impact payment to that same account. Treasury anticipates that economic impact payments will be deposited this week to the bank accounts of those receiving Social Security and Railroad Retirement Board benefits. VA and SSI recipients will receive direct deposit payments in mid-May. If the IRS does not have direct deposit information for you, you will receive a paper check in the next few weeks.

Question #8: I received an advance on my “return,” and the direct deposit information on my 2018 and/or 2019 taxes belongs to my tax preparer. What can I do?

Answer: Wait for further guidance from the IRS or try to contact your tax preparer. (The IRS is not taking phone calls.) So far, different paid preparers have different procedures. Remember: you cannot change your direct deposit information at www.irs.gov/coronavirus/get-my-payment.

Question #9: Will I receive my economic impact payment if I owe money to the IRS?

Answer: Economic impact payments will not be offset by outstanding federal income tax liability—or by outstanding federal student loan payments. However, payments will be offset by past due child support if New Mexico has reported the delinquency to the Treasury Department.

WARNING: <https://www.irs.gov/coronavirus> is the only legitimate place to enter your information. Beware of scam artists who ask for social security numbers or bank account numbers in order to “help you.”

DISCLAIMER: The information in this fact sheet is current only as of 4.25.20, is general in nature and does not cover every situation. For the latest, direct from the IRS, go to <https://www.irs.gov/coronavirus>.

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