



## **COVID-19 Response: Personal Recovery Rebate**

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for individuals with an annual income below \$75,000 and couples filing jointly with an annual income below \$112,500 to receive a \$1,200 rebate for the first taxable year beginning in 2020.
- Couples filing a joint return are eligible for \$2,400. Rebates phase out at a 5 percent rate above adjusted gross incomes of \$75,000 (single)/ \$122,500 (head of household)/ \$150,000 (joint). Check amounts increase by \$500 for every child registered as a dependent.
- Estimates are that 90 percent of Americans will get some level of payment.
- An individual's income level will be determined by 2019 tax returns or 2018 tax returns, if you have not yet filed for 2019.
- The federal government will distribute the direct payments through direct deposits and checks in the mail.
- Treasury Secretary Mnuchin said that the personal recovery rebate should be distributed within the next three weeks. As additional guidance becomes available, updates will be provided.
- Payments are not limited just to those who pay income taxes, e.g. someone who is receiving Social Security benefits. If you do not already have a direct deposit set up with the IRS, it may take a little longer to receive your check, but you are still eligible for the personal recovery rebate.