

CARES Act and Economic Impact (Stimulus) Payments What Youth & Young Adults Need to Know

What is the CARES Act?

The federal government passed a law on March 27, 2020, called the Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act. This law gives extra financial help to people and businesses and makes unemployment benefits better. This is to help people in United States recover from all the problems caused by COVID-19 (Coronavirus).

What is an economic impact payment/recovery rebate/stimulus payment?

The CARES Act creates an “economic impact” payment. The economic impact payment is also being called “recovery rebate” or “stimulus payment”. This payment is for individuals and families. This means that the government will provide money to certain individuals and families that qualify. Generally, individuals may receive \$1,200 per person (or \$2,400 per married couple), plus an extra \$500 per child claimed on their tax return.

Who cannot receive an economic impact payment?

- Children and youth ages 16 and younger cannot receive an economic impact payment.
- Youth and adults ages 17 and older, who are claimed as a dependent on someone else’s tax return, cannot receive an economic impact payment.
- People, who do not have a Social Security Number or are married to someone who does not have a Social Security Number, cannot receive an economic impact payment.

Who can receive an economic impact payment?

Youth and adults who (1) are at least 17 years old, (2) are not considered a dependent by Internal Revenue Service (IRS) rules on someone else’s tax return, and (3) file their own tax return can receive an economic impact payment. Youth or adults who are otherwise eligible but usually do not file a tax return because they receive Social Security disability payments or do not have income can also receive an economic impact payment.

When is someone considered a dependent by IRS rules?

While the rules are complicated, generally if a youth lived with a relative or foster parent for more than half a year and the youth provided less than half of their own support, including their part of shelter, utilities, and food expenses, the youth is considered a dependent. Youth in foster care or extended foster care homes with a family are usually considered dependents on their foster parent’s

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tax return. Youth who lived with relatives or foster families in 2019 should talk with their relatives or foster family to see if they filed a 2019 tax return listing them as a dependent.

What do youth and young adults who are not considered dependents need to do to make sure they receive an economic impact payment if they are eligible?

- Make sure you have a bank account or a mailing address where you can safely receive mail included in your tax return. The economic impact payment will be deposited directly into your bank account if you enter your bank account information in the return. If a bank account is not included, a check will be mailed to the address you enter.
- You will need to know your Social Security Number.
- You can **register** for economic impact payment at [Non-Fileers Register Here](#) if you:
 - Had no reportable income for 2019
 - If you receive Supplemental Security Income (SSI), Social Security SSDI or survivor benefits, you don't need to register or file a tax return. Your payment will be deposited into the bank account where you receive your Social Security benefits or mailed to the address where your monthly check is sent. You only need to register if you have child to claim the \$500 payment per child.
- If you have not filed a 2019 tax return and don't qualify to **register** for an economic impact payment, you must file a 2019 tax return for free at the [IRS website](#) or find a Volunteer Income Tax Assistance (VITA) program in your area [here](#) to help you file. But make sure the VITA program is open. The deadline to file your 2019 tax return is July 15, 2020! But the sooner you file your return, the sooner you will get your economic impact payment.

How do you check on the status of an Economic Impact Payment?

Go to [Get My Payment](#) on the IRS website to check your payment status.

What if you moved after filing your 2019 tax return and did not include bank account information with your return?

If you don't have a bank account, be sure you have updated your address with the post office and requested your mail be forwarded. You should also send form 8822 Change of Address to the IRS. The form can be found at [IRS.gov](#). It will usually take a few months to update your address but do not rely only on the post office to forward the check. If you have a bank account, you can go to [Get My Payment](#) on the IRS website to add it for direct deposit unless the IRS has already sent your check.

If a youth or young adult has a child, will they receive a payment for the child?

If the youth or young adult qualifies for an economic impact payment and claimed a child under the age of 16 on their tax return, they should receive the \$500 child payment.



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Where can current or former foster youth who think they are wrongly denied economic impact payments, unemployment benefits or other benefits related to the COVID-19 crisis get legal help?

The Texas Foster Youth Project provides FREE legal support and guidance to current and former foster youth and those that work with them. It is a special project of Texas RioGrande Legal Aid, Inc. and serves the whole state of Texas. Contact the Texas Foster Youth Justice Project at info@texasfosteryouth.org or 877-313-3688. You can find more information about the project at texasfosteryouth.org. If you need legal help with getting your economic impact payment, make sure you have filed your 2019 tax return or registered for the economic impact payment and have been **denied** the payment before contacting the Project for help.

Check the IRS website on [Economic Impact Payments](#) and Texas RioGrande Legal Aid's [COVID-19 Income Taxes and Stimulus Payments](#) for updates and more information.

For more information about legal issues related to the COVID-19 crisis, visit [Texas RioGrande Legal Aid's](#) website.