**Calculating the Economic Impact Payment**

**Spanish version:** [**https://www.irs.gov/es/newsroom/calculating-the-economic-impact-payment**](https://www.irs.gov/es/newsroom/calculating-the-economic-impact-payment)

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Eligible individuals who filed a tax return for tax years 2018 or 2019 or who are not required to file a tax return for those years but receive Social Security retirement, survivor or disability benefits (SSDI), Railroad Retirement benefits, Supplemental Security Income (SSI), or Veterans Affairs benefits will get an Economic Impact Payment (EIP or payment) automatically.

Others may need to act. Those who are required to file a tax return for tax year 2019 – and have not filed a federal tax return for tax years 2018 or 2019 – should file a 2019 return as soon as possible.

Individuals who are not in the categories of individuals above receiving an automatic payment and who are not required to file a tax return for tax year 2019 must provide information to the IRS using a [special Non-Filers tool](https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here) on IRS.gov, so that the IRS can issue an Economic Impact Payment.

**Who is eligible?**

U.S. citizens, permanent residents or qualifying resident aliens may qualify for the maximum amount of $1,200 for an individual or $2,400 for married individuals filing a joint return. Individuals may also receive up to an additional $500 for each qualifying child. Those with adjusted gross income over a threshold will receive a reduced amount. The unreduced amount will be reduced by 5% of adjusted gross income over the threshold. The threshold for those filing as single or married filing separately is $75,000; for those filing as head of household, the threshold is $112,500; and for those filing as married filing jointly, the threshold is $150,000.

An individual must have a Social Security number (SSN) valid for employment to receive a payment. Thus, an individual who has an individual taxpayer Identification number (ITIN) will not receive a payment. Married individuals who file jointly generally will not receive a payment if one spouse has an ITIN. Joint filers with one spouse who has an ITIN will receive a payment if one of the spouses is a member of the U.S. Armed Forces. Also, an individual who may be claimed as a dependent on another taxpayer’s tax return is not eligible for a payment.

While individuals don’t need to have a minimum income to be eligible for the payment, the actual amount of the payment is based on the individual’s filing status, adjusted gross income and number of qualifying children.

**Who is a qualifying child?**

An eligible individual may **also** receive up to an additional $500 per child, if the child meets the definition of a qualifying child of the individual for purposes of the child tax credit.

To be a qualifying child of an individual for purposes of the payment, generally the individual must live with the child for more than half of the tax year, the child must not provide over half of his or her own support for the calendar year, and the child must not file a joint return for the tax year. The child also must be the individual’s child, stepchild, eligible foster child, sibling, grandchild, niece, or nephew. In addition, to be claimed as a qualifying child, the child must be a U.S. citizen, permanent resident or other qualifying resident alien. The child must be under the age of 17 at the end of the year for the tax return on which the IRS bases the payment.

Also, a qualifying child must have an SSN valid for employment or an adoption taxpayer identification number (ATIN). A child who has an ITIN is not a qualifying child for this payment.

**What are the income limitations for each filing status?**

Eligible individuals will receive an Economic Impact Payment of $1,200, or $2,400 if married filing jointly, with an adjusted gross income (AGI) up to:

* $75,000 for individuals if filing as single or married filing separately
* $112,500 if filing as head of household and
* $150,000 if filing married filing jointly

An individual’s payment is reduced by 5% of the excess of the individual’s AGI over the applicable threshold.

Eligible individuals will receive a reduced payment if their AGI is more than:

* $75,000 if filing as single or married filing separately
* 112,500 if filing as head of household and
* $150,000 if filing married filing jointly

For eligible individuals with no qualifying children, the payment is reduced to $0 if their AGI is at least:

* $99,000 if filing as single or married filing separately
* $136,500 if filing as head of household and
* $198,000 if filing married filing jointly

For individuals with qualifying children, these total-phaseout amounts increase by $10,000 for each qualifying child. For example, for an eligible individual filing as married filing separately with 3 qualifying children, the individual’s payment is reduced to $0 if his or her AGI is $129,000 or more.

**How does the IRS calculate the Payment?**

The IRS is issuing payments to most taxpayers automatically using information from the taxpayer’s 2019 or 2018 tax return.

The IRS is issuing $1,200 automatic payments using information from partner federal agencies for individuals receiving Social Security retirement, survivor or disability benefits (SSDI), Railroad Retirement benefits, Supplemental Security Income (SSI) and VA Compensation and Pension (C&P) benefits, if the beneficiaries didn’t file a tax return for tax years 2018 or 2019.

For individuals who are not required to file a tax return for tax years 2018 or 2019 and do not qualify for an automatic payment, the IRS is using the information an individual provides on the [special Non-Filers tool](https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here) on IRS.gov to issue a payment.

**With no qualifying children, what should eligible individuals expect to receive?**

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| **Filing Status** |  **AGI** | **EIP**  |
| Married Filing Jointly | $0 - $150,000 | $2,400 |
| Married Filing Jointly | $198,000 and above | $0 |
| Head of Household | $0 - $112,500 | $1,200 |
| Head of Household | $136,500 and above | $0 |
| All Others  | $0 - $75,000 | $1,200 |
| All Others | $99,000 and above | $0 |

**With no qualifying children, how is the 5% phaseout calculated for eligible individuals?**

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| --- | --- | --- |
| **Filing Status** |  **AGI** | **5% Phaseout Example** |
| Married Filing Jointly | Between $150,000 - $198,000 | If the couple’s AGI is $170,000, the AGI is $20,000 above the $150,000 threshold. The payment is reduced by $1,000 ($20,000 X 5%). The payment is $1,400. |
| Head of Household | Between $112,500 - $136,500 | If the individual’s AGI is $125,000, the AGI is $12,500 above the $112,500 threshold. The payment is reduced by $625 ($12,500 X 5%). The payment is $575. |
| All Others  | Between $75,000 - $99,000 | If the individual’s AGI is $84,000, the AGI is $9,000 above the $75,000 threshold. The payment is reduced by $450 ($9,000 X 5%). The payment is $750. |

**How is the amount of the payment calculated for eligible individuals** **with qualifying children?**

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| **Filing Status** |  **AGI** | **Example (3 qualifying children)** |
| Married Filing Jointly | $0 - $150,000 | With 3 qualifying children, the couple would receive $1,500 ($500 for each qualifying child) in addition to the $2,400 for married individuals filing jointly. The payment is $3,900. |
| Married Filing Jointly | Above $150,000 with a 5% phaseout | If the couple’s AGI is $175,000, it is $25,000 above the $150,000 threshold amount. The payment is reduced by $1,250 ($25,000 X 5%).If they have 3 qualifying children, the unreduced amount is $3,900 ($2,400 + $1,500). This amount is reduced by $1,250.The payment is $2,650 ($3,900 - $1,250). |
| Head of Household | $0 - $112,500 | With 3 qualifying children, the individual would receive $1,500 ($500 for each qualifying child) in addition to the $1,200 for one eligible individual. The payment is $2,700. |
| Head of Household | Above $112,500 with a 5% phaseout | If the individual’s AGI is $150,000, it is $37,500 above the $112,500 threshold amount. The payment is reduced by $1,875.($37,500 X 5%). With 3 qualifying children, the unreduced amount is $2,700 ($1,200 + $1,500). The payment is reduced by $1,875.The payment is $825 ($2,700 - $1,875). |
| All Others | $0 - $75,000 | An individual with 3 qualifying children would receive $1,500 ($500 for each qualifying child) in addition to the $1,200 payment for one eligible individual.The payment is $2,700. |
| All Others | Above $75,000 with a a 5% phaseout. | If the individual’s AGI is $100,000, it is $25,000 above the $75,000 threshold amount. The payment is reduced by $1,250 ($25,000 X 5%). With 3 qualifying children, the unreduced amount is $2,700 ($1,200 + $1,500). This amount is reduced by $1,250. The payment is $1,450 ($2,700 - $1,250). |

**What happens if the individual does not get the amount expected?**

Individuals should review the eligibility requirements for their family to make sure the expected amount is correct. The payment is based on adjusted gross income, the number of eligible individuals, and the number of qualifying children.

The Economic Impact Payment is considered an advance credit against 2020 tax. Taxpayers will not include the payment in taxable income on their 2020 tax return or pay income tax on the payment. It will not reduce a taxpayer’s refund or increase the amount of tax a taxpayer owes when the taxpayer files a 2020 Federal income tax return next year.

Individuals should keep the letter they will receive by mail for their tax records. The letter should arrive approximately three weeks after the IRS issues the payment. When a taxpayer files a 2020 tax return next year, the taxpayer may claim any additional credit for which the taxpayer is eligible. The IRS is not able to correct or issue an additional payment at this time and will provide further details on IRS.gov on the action individuals may need to take in the future. See the [Economic Impact Payment Information Center](https://www.irs.gov/coronavirus/economic-impact-payment-information-center) for questions and answers about eligibility, payment amounts, what to expect, and when to expect it.