Myth Bustin’ Mondays

5/4/2020

Today we are looking into 2 statements about COVID -19 Economic Impact Payments.

Statement #1: Checks will be counted as income for 2020 taxes. This is a myth. The federal government and state will not be counting the economic impact check as income. You will not pay taxes on it. Furthermore, this is one-time money. If you qualified this year, you will not need to repay the money next year, even if that child no longer lives with you. Also, the economic impact payment will not impact the amount you owe in taxes or receive as a refund when you file your 2020 taxes in 2021.

<https://www.irs.gov/coronavirus/get-my-payment>

<https://home.treasury.gov/news/press-releases/sm975>

<https://www.dfa.arkansas.gov/news>.

Statement #2: People that didn't file their taxes cannot get a stimulus check. This also is a myth.  Anyone who qualifies can receive the economic impact payment even if they have not been required to file tax returns in recent years. Non-filers can enter their information online at the IRS website, <https://www.irs.gov/coronavirus/economic-impact-payments>.

It’s important to watch out for scams during this time. If you get a letter from the IRS about 15 after receiving your stimulus check do not be alarmed. The IRS does plan to mail a letter about the economic impact payment to a person’s last known address within 15 days after the economic impact payment is made. The letter will provide information about how the payment was made and how to report if the payment never made it to you. If someone contacts you and says you’ve been overpaid – watch out, it could be a scam. The IRS will not send you an overpayment and make you send the money back in cash, gift cards, or a money transfer.

For more myth busting about COVID-19 or just for more information about COVID-19 go to https://www.uaex.edu/COVID19