

Information about the Economic Stimulus Payment

What is the stimulus package?

- To help spur a slowing economy, the Economic Stimulus Act of 2008 was passed. More than 130 million households will receive economic stimulus payments between May through July 2008. It is not taxable and will not reduce your 2007 or 2008 refund or increase any amount owed.

How do people qualify for an economic stimulus payment?

- You must have at least \$3,000 in income which can be income from or in combination with Social Security benefits, Veteran's Affairs (VA) benefits, Railroad Retirement benefits and earned income.
- **It is important to note that Supplemental Security Income (SSI) does not qualify as income because it is not taxable.**
- You must have a valid social security number.
- You cannot be claimed as a dependent or eligible to be claimed as a dependent on another's tax return.
- You **must file a 2007 tax return** (even if your income is normally low enough that you are not required to file). **This payment will not be given if you do not file.**

If they file a tax return, how much am I eligible for?

- In most cases, they will get payments ranging from \$300 to \$600.

By what date does the 2007 tax return have to be filed and when will the checks be received?

- The IRS encourages filing a return by the regular April 15 deadline to get the rebate check between May – July 2008. Filing later than April 15 will delay receipt of the check.

Will the stimulus payment affect eligibility for needs-based benefits programs?

- No. Receiving a payment under the stimulus package does not have *any* effect on eligibility for or amount of needs-based benefits programs (i.e. Food Stamps).

Will the stimulus payment affect my Medicaid eligibility?

- No, but you have to spend the stimulus payment within the following two months after you receive it. The Internal Revenue Code Section 6428 (d) Refunds Disregarded in the Administration of Federal Programs and Federally Assisted Programs state "Any credit or refund allowed or made to any individual by reason of section H. R. 5140-5 6428 of the Internal Revenue Code of 1986 (as amended by this section) or by reason of subsection (c) of this section shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following 2 months, for the purpose of determining of such individual or any other individual for benefits or assistance, or the amount or extent of benefits of assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds." For example, an individual receives the check on 5/15/08. This amount will become part of the individual's resources on 8/1/08 if not spent.