

## **Information and FAQs on CARES Payments and SSI Recipients**

**April 13, 2020**

Our organizations have received numerous questions about how SSI recipients will receive the payments that were provided to every adult and child in the country with a Social Security number in the *Coronavirus Aid, Relief, and Economic Security Act (CARES)*. In an effort to provide the most accurate and up to date information possible, we have developed this fact sheet and answered some of the most frequently asked questions about SSI and CARES payments. Please feel free to reach out to us if you hear anything that is inconsistent with what we have provided here and we will do our best to update this as new information becomes available.

### **What the CARES Act Provides**

Each person in the United States with an income under \$75,000 and who has filed a 2018 or 2019 tax return is eligible for a payment of \$1,200 for each adult and \$500 for each child. These checks will be issued by the IRS as soon as the week of April 13<sup>th</sup> but it is likely to take several weeks, if not months, before all eligible persons receive the funds. The CARES Act authorized the Trump Administration to send checks to persons eligible for Social Security benefits and it included language which appears to provide IRS the legal authority to issue checks to SSI recipients without need to submit additional information. Below is an excerpt from the Center on Budget and Policy Priorities explaining the provision:

*The CARES Act provides the legal authority for Treasury to provide payments to these groups automatically and mandates quick action: “The Secretary shall, subject to the provisions of this title, refund or credit any overpayment attributable to this section **as rapidly as possible**” (emphasis ours). Within this legal mandate, the law allows Treasury to electronically deliver rebates to payees who receive tax refunds or a “Federal payment,” including federal benefits like SSI and VA pensions and disability benefits. This authority is similar to how the CARES Act enables Treasury to send payments directly to tax filers who filed a return for 2018 but not yet for 2019, and to how it authorizes Treasury to send payments directly to recipients of Social Security and railroad retirement benefits who have not filed a tax return.*

### **IRS and SSA have NOT agreed to send Payments to SSI recipients without Submitting Additional Information**

While it is correct that people who receive Social Security retirement, disability (SSDI), or survivors' benefits will get the payment automatically, at this point SSI recipients are not included in that automation. Rumors have been circulating that the Social Security Administration (SSA) has decided to issue checks without need for SSI recipients to submit additional information. We have checked with various allies working on the issue in Washington and they all report this is not accurate. While there

have been numerous sign-on letters to SSA and Congress urging such an action, to date, this has not happened. The most recent information we have is from the Social Security Administration which issued an update on April 10 stating the following:

*For SSI recipients who do not have qualifying children under age 17, we continue to work closely with Treasury in our efforts to make these payments automatically. Please note that we will not consider Economic Impact Payments as income for SSI recipients, and the payments are excluded from resources for 12 months.*

The Social Security Advisory Board sent a letter to the head of the Social Security Administration on April 6 urging the agency to work with the Treasury Department to send checks to SSI recipients by using the same method being used to send checks to persons receiving Social Security. It is important to note that the Advisory Board does not have any legal authority to direct SSA how to execute their duties, nor does the Advisory Board have authority over the Treasury Department or the IRS. So while this letter was welcome, it does not mean that the IRS will be issuing stimulus funds to SSI recipients automatically.

Late last week, the IRS launched a [new online portal](#) for individuals who have not already filed a return for the 2018 or 2019 tax year to register for the payments.

## Frequently Asked Questions

**What if a person receives Social Security or SSDI and also SSI? Do they need to submit information on the IRS's new online portal?**

If a person is receiving Social Security or SSDI benefits they should receive their checks automatically without need to file a tax return or take any other action even if they also receive SSI.

**Should legal service providers and others start having SSI recipients submit information on the IRS's new online portal?**

SSI recipients who have not already filed a return for the 2018 or 2019 tax years can either use the IRS's online portal now or wait as the IRS continues to review automatic payment options to deliver the payment to SSI recipients.

SSI recipients can use the IRS's new online portal to claim the \$1,200 payment, as well as the \$500 per dependent child. Advocates should consider appropriate outreach for individuals who may have problems using the online portal, such as limited internet access or limited ability to use the internet. We will be advocating with the state to develop a plan to maximize the number of low income Californians using the portal. Payments are available through the end of 2020, so if it turns out that SSI recipients do have to use the online portal there are still many months for them to do so.

Some low income Californians may benefit from filing a tax return rather than using this new online portal option, for example if they have some earnings and qualify for a refundable tax credit like the Earned Income Tax Credit. However, be aware that if someone with zero taxable income, such as someone whose only income is SSI, attempts to file a tax return online, their return will be rejected until the IRS does a patch on the software (which they did under ARRA last time).

There is ongoing advocacy to automate payments to SSI recipients, so that even SSI recipients who do not use the new online portal can get the payments. There also continues to be advocacy to streamline the process for claiming the dependent child payment so that it is more automatic. We will update this fact sheet as new information becomes available on the status of that advocacy.

### **When must SSI recipients submit information on the online portal in order to get the \$1,200?**

The deadline for filing federal taxes has been extended until July 15, 2020. Payments are available through the end of 2020, so if it turns out that SSI recipients do have to submit information on the new online portal there are still many months for them to do so.

### **Will recipients of CAPI get payments?**

Yes, though a CAPI recipient who did not file a tax return for the 2018 or 2019 tax years will need to use the IRS's new online portal to receive the payment. Even if the IRS and SSA agree to send payments to SSI recipients automatically, CAPI would not be included in this automation. This is due to CAPI being a state program and therefore not included in the CARES Act legal authority to electronically deliver checks to payees who receive a "Federal payment."

While the new online portal is now available on the IRS website, advocates should consider appropriate outreach for individuals who may have problems using the online portal, such as limited internet access or limited ability to use the internet. We will be advocating with the state to develop a plan to maximize the number of low income Californians using the portal. Payments are available through the end of 2020 and there are still many months for CAPI recipients to submit information on the portal.

### **Will payments be counted as income against the SSI benefit amount?**

No. The payment does not count as income against the SSI benefit amount, and it also does not count as a resource for 12 months after. The payments also do not count as income for SNAP, TANF or federal housing program purposes.

### **Are recipients of CalFresh, CalWORKs, General Assistance and Medi-Cal eligible for payments and what do they need to do to get their payment?**

This paper is focused on the needs of SSI recipients since there has been significant confusion about this population. However, we are working on a second paper which will provide information on other programs and specific impacts on populations within these programs. If anyone has a question on these other programs now, feel free to reach out to our organizations.

### **What happens if SSA and IRS do not agree to provide payments directly to SSI recipients?**

If the federal government does not agree to send payments directly to SSI via direct deposit or a check, then most of the 1.2 million SSI recipients in California will have to submit information on the IRS's new online portal if they have not already filed a return for the 2018 or 2019 tax years. We have been in touch with the state about this and the Newsom Administration is developing a contingency plan to maximize the number of low income Californians, including SSI recipients, using the portal so they can receive this payment.

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