

Economic Stimulus for the American People

Written by Mike Honda
Monday, 31 March 2008 19:00

On February 7, 2008, Congress passed [bipartisan economic stimulus legislation](#). The Economic Stimulus Act (H.R. 5140) will provide a much needed kick start for our ailing economy.

The Economic Stimulus Act includes tax rebates to be mailed this spring of up to \$600 for individuals and up to \$1,200 for married couples, plus a child tax credit of \$300 per child. More than 130 million families will receive a check, including more than 20 million seniors and 250,000 disabled veterans living on Social Security.

The economic stimulus will:

- Expand financing opportunities for Americans in danger of losing their homes because of the mortgage crisis;
- Help create 500,000 jobs by the end of the year;
- Put hundreds of dollars into the hands of more than 130 million American families, including seniors and disabled veterans, who can reinvest it into the economy;
- Build on the child tax credit by offering a one-time rebate of \$300 per child; and,
- Promote small business investment in physical plant and equipment.

Frequently Asked Questions

What is the recovery rebate?

The recovery rebate is the payment now of a new tax credit for the 2008 income tax year. The check is intended to stimulate the economy.

Am I eligible for a stimulus check?

Generally, you are eligible if you file your 2007 income tax return reporting tax liability or have earned income, social security income, Railroad Retirement benefits, or disabled veterans' benefits of more than \$3,000. The credit phases out for those taxpayers with an adjusted gross income of \$75,000 (\$150,000 for a joint return) or more. If you are claimed as a dependent on

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someone else's return, such as your parents, you are not eligible.

What do I need to file to get a stimulus check?

Most taxpayers simply will need to file a 2007 income tax return. There is no additional form needed.

When will I receive my rebate?

The IRS has said it will begin sending recovery rebates on May 2nd and expects to complete the first round of payments by early July. People who use direct deposit will start receiving payments on May 2nd. Paper checks will be put in the mail starting May 16th. Economic stimulus payments will be issued according to the last two-digits of the main filer's Social Security number. A [schedule](#) is available from the IRS website.

What will be the amount of my recovery rebate?

Taxpayers generally will receive a rebate check of up to \$600 (\$1,200 in the case of a joint return). In addition, a taxpayer is eligible for an additional \$300 for each qualifying child. The IRS website has an [Economic Stimulus Payment Calculator](#) that estimates what your rebate will be.

Will undocumented workers get recovery rebates??

The Economic Stimulus Act includes safeguards to ensure that undocumented workers will not obtain rebates. It requires that all people must have valid Social Security numbers to receive recovery rebates. Undocumented persons cannot hold Social Security numbers and will not qualify for a rebate.

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How can I get more information?

The IRS will mail two informational notices to taxpayers advising them of the rebate. For more information or to calculate your rebate, I encourage you to visit the [Internal Revenue Service \(IRS\)](#) website or to call the IRS at 1-800-829-1040.

WARNING – Beware of email scams regarding your tax rebate!

The IRS will NEVER send you an unsolicited email. If you receive an email from someone claiming to represent the IRS, DO NOT click on any links or provide any personal information to the sender. Instead, forward the email to phishing@irs.gov so the IRS can investigate.