IRS News Release

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Why the Economic Impact Payment amount could be different than anticipated

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WASHINGTON −The IRS and Treasury have successfully delivered nearly 130 million Economic Impact Payments to Americans in less than a month, and more are on the way. Some Americans may have received a payment amount different than what they expected. Payment amounts vary based on income, filing status and family size.

See below for some common scenarios that may explain why you received a different payment amount than expected:

You have not filed a 2019 tax return, or the IRS has not finished processing your 2019 return

Payments are automatic for eligible people who filed a tax return for 2018 or 2019. Typically, the IRS uses information from the 2019 tax return to calculate the Economic Impact Payment. Instead, the IRS will use the 2018 return if the taxpayer has not yet filed for 2019. If a taxpayer has already filed for 2019, the agency will still use the 2018 return if the IRS has not finished processing the 2019 return. Remember, the IRS accepting a tax return electronically is different than completing processing; any issues with the 2019 return mean the IRS would've used the 2018 filing.

If the IRS used the 2018 return, various life changes in 2019 would not be reflected in the payment. These may include higher or lower income or birth or adoption of a child.

In many cases, however, these taxpayers may be able to claim an additional amount on the 2020 tax return they file next year. This could include up to an additional $500 for each qualifying child not reflected in their Economic Impact Payment.

Claimed dependents are not eligible for an additional $500 payment

Only children eligible for the Child Tax Credit qualify for the additional payment of up to $500 per child. To claim the Child Tax Credit, the taxpayer generally must be related to the child, live with them more than half the year and provide at least half of their support. Besides their own children, adopted children and foster children, eligible children can include the taxpayer's younger siblings, grandchildren, nieces and nephews if they can be claimed as dependents. In addition, any qualifying child must be a U.S. citizen, permanent resident or other qualifying resident alien. The child must also be under the age of 17 at the end of the year for the tax return on which the IRS bases the payment determination.

A qualifying child must have a valid Social Security number (SSN) or an Adoption Taxpayer Identification Number (ATIN). A child with an Individual Taxpayer Identification Number (ITIN) is not eligible for an additional payment.

Parents who are not married to each other and do not file a joint return cannot both claim their qualifying child as a dependent. The parent who claimed their child on their 2019 return may have received an additional Economic Impact Payment for their qualifying child. When the parent who did not receive an additional payment files their 2020 tax return next year, they may be able to claim up to an additional $500 per-child amount on that return if they qualify to claim the child as their qualifying child for 2020.

Dependents are college students

Pursuant to the CARES Act, dependent college students do not qualify for an EIP, and even though their parents may claim them as dependents, they normally do not qualify for the additional $500 payment. For example, under the law, a 20-year-old full-time college student claimed as a dependent on their mother's 2019 federal income tax return is not eligible for a $1,200 Economic Impact Payment. In addition, the student's mother will not receive an additional $500 Economic Impact Payment for the student because they do not qualify as a child younger than 17. This scenario could also apply if a parent's 2019 tax return hasn't been processed yet by the IRS before the payments were calculated, and a college student was claimed on a 2018 tax return.

However, if the student cannot be claimed as a dependent by their mother or anyone else for 2020, that student may be eligible to claim a $1,200 credit on their 2020 tax return next year.

Claimed dependents are parents or relatives, age 17 or older

If a dependent is 17 or older, they do not qualify the additional $500. If a taxpayer claimed a parent or any other relative age 17 or older on their tax return, that dependent will not receive a $1,200 payment. In addition, the taxpayer will not receive an additional $500 payment because the parent or other relative is not a qualifying child under age 17.

However, if the parent or other relative cannot be claimed as a dependent on the taxpayer's or anyone else's return for 2020, the parent or relative may be eligible to individually claim a $1,200 credit on their 2020 tax return filed next year.

Past-due child support was deducted from the payment

The Economic Impact Payment is offset only by past-due child support. The Bureau of the Fiscal Service will send the taxpayer a notice if an offset occurs.

For taxpayers who are married filing jointly and filed an injured spouse claim with their 2019 tax return (or 2018 tax return if they haven't filed the 2019 tax return), half of the total payment will be sent to each spouse. Only the payment of the spouse who owes past-due child support should be offset.

The IRS is aware that a portion of the payment sent to a spouse who filed an injured spouse claim with his or her 2019 tax return (or 2018 tax return if no 2019 tax return has been filed) may have been offset by the injured spouse's past-due child support. The IRS is working with the Bureau of Fiscal Service and the U.S. Department of Health and Human Services, Office of Child Support Enforcement, to resolve this issue as quickly as possible. If you filed an injured spouse claim with your return and are impacted by this issue, you do not need to take any action. The injured spouse will receive their unpaid half of the total payment when the issue is resolved. We apologize for the inconvenience this may have caused.

Garnishments by creditors reduced the payment amount

Federal tax refunds, including the Economic Impact Payment, are not protected from garnishment by creditors by federal law once the proceeds are deposited into a taxpayer's bank account.

What if the amount of my Economic Impact Payment is incorrect?

Everyone should review the eligibility requirements for their family to make sure they meet the criteria.

In many instances, eligible taxpayers who received a smaller-than-expected Economic Impact Payment (EIP) may qualify to receive an additional amount early next year when they file their 2020 federal income tax return. EIPs are technically an advance payment of a new temporary tax credit that eligible taxpayers can claim on their 2020 return. Everyone should keep for their records the letter they receive by mail within a few weeks after their payment is issued.

When taxpayers file their return next year, they can claim additional credits on their 2020 tax return if they are eligible for them. The IRS will provide further details on IRS.gov on the action they may need to take.

The EIP will not reduce a taxpayer's refund or increase the amount they owe when they file a tax return early next year. It is also not taxable and is therefore should not be included in income on a 2020 return.

More resources on Economic Impact Payments here:

- Questions about eligibility, payment amounts, and status of payment.
- Economic Impact Payments
- Get My Payment tool
- Chart of various payment amount scenarios

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