



HOUSE COMMITTEE ON WAYS & MEANS
CHAIRMAN RICHARD E. NEAL

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Social Security and the CARES Act

Social Security and SSI recipients are eligible for the rebate payments:

- Most individuals are eligible for the full rebate payments (“Economic Impact Payments”) as long as they have an SSN and their household incomes are not too high. Rebate payments start to phase out at the thresholds of \$75,000 for single filers, \$112,500 for head of household, and \$150,000 for married filing jointly.
- This includes Social Security beneficiaries (retirement, disability, survivor) and Supplemental Security Income (SSI) recipients, as long they meet the general eligibility conditions.
- The full rebate amounts are \$1,200 per adult and \$500 per child under age 17.
- Individuals who filed a tax return in 2018 or 2019 will automatically be issued their rebates.

Even if they did not file a tax return, adult Social Security and SSI recipients will also receive these payments automatically from IRS.

- However, adult Social Security and SSI beneficiaries who have children under age 17 should use IRS’s “Non-Filer Portal” to claim the additional child rebate amount. They should provide this information **as soon as possible** in order to assure that their automatic payments include the child rebate amount.
- Parents who do not themselves receive Social Security or SSI benefits, but whose children do, will need to use the “Non-Filer Portal” as well (if they do not already file a tax return).

Additional information regarding Social Security, SSI, and the rebates:

- Like other tax credits, these payments do not count as income or resources for means-tested programs. So receiving a rebate will not interfere with someone’s eligibility for SSI, SNAP, Medicaid, ACA premium credits, TANF, housing assistance, or other income-related federal programs.
- These rebates do not affect receipt of state or federal unemployment compensation.

- The bill also requires Treasury, in conjunction with SSA and other federal agencies, to conduct a “public awareness campaign” about the rebates, especially targeting those who do not file tax returns.
- The bill gives the Social Security Administration \$38 million for its role in helping carry out the rebates, in addition to \$300 million to bolster its overall service delivery in light of the significant challenges posed by COVID-19.
- For additional information, see the IRS website (www.irs.gov/coronavirus) and the Ways and Means coronavirus resource page (<https://waysandmeans.house.gov/media-center/press-releases/ways-and-means-committee-covid-19-resources>).

The CARES Act also included payroll tax provisions, which have no effect on Social Security’s trust funds:

- The bill lets employers temporarily delay payment of their share of Social Security payroll taxes. This does not mean they don’t owe those taxes, but rather that they will make the payments in 2021 and 2022. This effectively allows the Federal government to loan these businesses funds to ensure they can continue operating during this crisis.
- Additionally, certain provisions in the CARES Act, and the recently-enacted Families First Coronavirus Response Act, rely on payroll tax credits to provide much-needed support for businesses during this time.
- None of these provisions change the amount or timing of money deposited into the Social Security trust funds, as the bill replenishes the trust funds from general revenues.
- They also do not alter the fundamental nature of Social Security as a contributory system where individuals earn their benefits with each paycheck.