



*Helping Older Persons With  
Legal & Long-Term Care  
Problems*

# ***ECONOMIC STIMULUS PAYMENTS FOR SOCIAL SECURITY RECIPIENTS***

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## ***1. What Are Economic Stimulus Payments?***

Pursuant to [The Economic Stimulus Act of 2008](#), any person with “qualifying income” of at least \$3,000 in 2007 is eligible for a stimulus payment. “Qualifying income” includes Social Security benefits, as well as benefits from the Department of Veterans Affairs and the Railroad Retirement Board. Supplemental Security Income (SSI) does not count toward qualifying income.

This means that a person who received only Social Security benefits of \$3,000 in 2007 can receive a stimulus payment. Unfortunately, to receive a stimulus payment, a taxpayer must file a 2007 federal income tax return.

Social Security recipients, many of whom would not normally file an income tax return, will have to file one for 2007 to receive a stimulus payment. The [IRS factsheet](#) on stimulus payments and the IRS ["frequently asked questions"](#) websites contain more details.

## ***2. How Much Is The Economic Stimulus Payment?***

Absent a qualifying child, the stimulus payment is limited to the greater of:

- 1) \$300 for an individual;
- 2) \$600 for a couple filing a joint return; or
- 3) Income tax liability, up to a maximum amount of
  - a) \$600 for an individual, or
  - b) \$1,200 for a couple.

Since most Social Security beneficiaries have no income tax liability, they would be limited to a maximum of \$300 (or \$600 for a couple).

### *3. Which IRS Form Should I File?*

If you are reporting earned income, you can use the 1040EZ. Earned income is all income from employment, but only if it is includable in gross income. Examples of earned income are: wages; salaries; tips; and other taxable employee compensation or net earnings from self-employment.

If you are not reporting earned income, you must file a form 1040 or 1040A. The 1040EZ can only be used by taxpayers reporting earned income.

### *4. I Only Have Social Security Income. How Do I Fill Out IRS Form 1040A?*

The IRS has prepared an economic stimulus payment sample Form 1040A illustrating how Social Security income should be reported. You can find it at: <http://www.irs.gov/pub/newsroom/1040a.pdf>

If you do not have access to the Internet to see the sample Form 1040A, there are two things the IRS wants you to know when filing for an economic stimulus payment:

- a) Put your Social Security benefits on line 14a of Form 1040A, and
- b) Whatever IRS Form you use to file your 2007 federal income tax, write the words "Stimulus Payment" across the top of the form.

### *5. I Lost The Form 1099-SSA That Social Security Mailed To Me Reporting How Much Social Security I Received Last Year. Can I Still File A Tax Return?*

Yes. The IRS states: "People who do not have a Form 1099-SSA may estimate their annual Social Security benefit by taking their monthly benefit, multiplying it by the number of months during the year they received the benefits, and entering the number on Line 20a of Form 1040 or Line 14a of the Form 1040A."

### *6. Will The Stimulus Payment Affect My Eligibility For Medicaid, SSI, Or Food Stamps?*

No. The economic stimulus payment can not be counted as income in the month received. Additionally, it can not be treated as a resource in the month of receipt or the following two months by any program such as Medicaid, SSI or Food Stamps. After this three-month time period, if the money is not spent, it will be counted toward the resource limit of any needs-based public assistance program.

### *7. Can I File My Income Tax Return Electronically?*

Yes. IRS' website, at [freefile](#), lists links to several companies offering free tax preparation and electronic filing to those people who are filing merely to receive their economic stimulus payments.

### *8. Is There A Deadline To File My Income Tax Return In Order To Receive A Stimulus Payment?*

The IRS encourages all taxpayers to file their income tax returns by the April 15<sup>th</sup> deadline. But if you have obtained a valid six-month extension to file or if you are filing to establish eligibility for the stimulus payment, filing by October 15<sup>th</sup> means the IRS can process your return and issue a stimulus payment before the end of the year.

### *9. Can I Have Too Much Income To Receive A Stimulus Payment?*

Yes. Eligibility for a stimulus payment begins to phase out for individuals with adjusted gross income above \$75,000 and for married couples (filing jointly) with adjusted gross income above \$150,000.

### *10. How Can I Get Help Completing My Income Tax Return?*

Seniors can call Pro Seniors at (513) 345-4160 or 1-800-488-6070, for a personalized search of local agencies offering income tax assistance. Pro Seniors' Legal Hotline can also answer general income tax questions.

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Pro Seniors' Legal Hotline for Older Ohioans provides free legal information and advice by toll-free telephone to all residents of Ohio age 60 or older. If you have a concern that cannot be resolved over the phone, then the hotline will try to match you with an attorney who will handle your problem at a fee you can afford.

In southwest Ohio, Pro Seniors' staff attorneys and long-term care ombudsmen handle matters that private attorneys do not, such as nursing facility, adult care facility, home care, Medicare, Medicaid, Social Security, protective services, insurance and landlord/tenant problems.

This pamphlet provides general information and not legal advice. The law is complex and changes frequently. Before you apply this information to a particular

situation, call Pro Seniors' free Legal Hotline or consult an attorney in elder law.

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