COVID-19 Legislation: What Individuals & Families Should Know

Updated May 19, 2020

In addition to the federal tax deadline changing from April 15 to July 15, 2020, there are several benefits within coronavirus legislation that individual taxpayers and families should be aware of.

Stimulus payments. Stimulus payments are available for certain taxpayers and can be calculated based on your adjusted gross income (AGI) in your latest filed tax return (either 2018 or 2019 if already filed). The payment can be reconciled on your 2020 tax return if you received too little. You may want to file for 2019 now, especially if income decreased from 2018, to potentially allow for a higher payment.

<table>
<thead>
<tr>
<th>Filing status</th>
<th>Payment*</th>
<th>Payment reduced by $5 for every $100 of AGI in excess of</th>
<th>AGI level where payment is completely phased out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single &amp; married filing separately</td>
<td>$1,200</td>
<td>$75,000</td>
<td>$99,000</td>
</tr>
<tr>
<td>Head of household</td>
<td>$1,200</td>
<td>$112,500</td>
<td>$136,500</td>
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<tr>
<td>Married filing jointly</td>
<td>$2,400</td>
<td>$150,000</td>
<td>$198,000</td>
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<tr>
<td><strong>+ $500 per qualifying child under age 17</strong></td>
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You can determine the status of your stimulus check with the IRS Get My Payment tool. Non-filers who do not receive Social Security or Veterans Affairs Benefits, or who do receive SSI and VA benefits but have children, can register for their stimulus check with the IRS Non-Filer tool.

Unemployment. Unemployment benefits for workers affected by COVID-19 now include those who were previously not eligible for unemployment, including part-time employees, freelancers, independent contractors, gig workers, and the self-employed. Eligible workers may receive an extra $600 per week on top of the amount they’re entitled to under state law. Currently, this benefit is available until July 31, 2020.

New legislation provides an additional 13 weeks of unemployment benefits for workers who may have exhausted their state benefits. Eligible workers may receive unemployment benefits for a maximum of 39 weeks. Currently, these extended benefits are available until Dec. 31, 2020.

Sick leave. National Paid Sick Leave allows a full-time employee who is impacted, or sick from COVID-19 and quarantined, to be eligible for up to 80 hours of paid sick leave at
100% of the regular rate over a two-week period. Part-time employees can each be eligible to receive pay for the average amount of hours they’d work over a two-week period.

Employees who have been employed for at least 30 calendar days can be eligible for up to an additional 10 weeks of paid expanded family and medical leave at 2/3 their regular rate of pay if they are unable to work due to childcare not being available due to COVID-19.

Business with fewer than 50 employees may be eligible for an exemption from providing paid sick leave and expanded family and medical leave to its employees.

**Retirement plans.** If you’re younger than age 59 ½ and need to take money out of your retirement plans for reasons related to COVID-19, the 10% early withdrawal penalty would be waived on up to $100K of retirement funds withdrawn. Also, income attributable to such distributions would be subject to tax over three years, and you may re奉献 the funds to an eligible retirement plan within three years without regard to that year’s cap on contributions.

In addition, required minimum distributions are suspended in 2020 for everyone with IRAs and 401(k)-type accounts, but not defined benefit plans.

**Higher education emergency relief fund for students.** The CARES Act gives colleges and universities funding to provide emergency financial aid grants to students whose lives have been disrupted and are facing financial challenges. The schools are responsible for determining how much the student grants are and how the grants are to be distributed. Students should contact their institutions for more information.

**Student loans.** The CARES Act also provides financial relief for those with federal student loan debt. All loan and interest payments are deferred through Sept. 30, 2020, without penalty. If you made a payment between March 1 and Sept. 30, you can even request to have that payment refunded by contacting your loan servicer.