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Fact Sheet: Receiving the Federal Tax “Rebate” in the 2008 U.S. Economic Stimulus Act: Are you Eligible?

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Eligibility for the Economic Stimulus Tax Rebates:

The Economic Stimulus Act of 2008, passed by the U.S. Congress in February 2008, creates one- time tax “rebates” for many low- and middle-income taxpayers. To be eligible for the rebates, taxpayers must:

- File a 2007 Tax Return;
- Have qualifying income from 2007 of at least \$3,000; and
- Have valid social security or taxpayer identification numbers for all household members who are claimed on the tax return.

What Counts Toward “Earnings” to Qualify:

The following are considered “income” when calculating eligibility:

- Earnings from work;
- Social Security Payments;
- Social Security Disability Insurance (SSDI); and
- SSDI and/or Veterans Benefits.

Note: SSI (Supplemental Security Income) and TANF (Temporary Assistance for Needy Families) Cash Assistance do *NOT* count as income.

An individual may have any combination of the above to meet the \$3,000 of qualifying income test in order to receive the rebates. As an example, a person with at least \$1,500 of earned income, and \$1,500 of SSDI or Social Security would qualify. However, a person with \$1,500 of earned income and \$1,500 of SSI will **NOT**. **As a result, very low income individuals and families who depend primarily on public assistance will not qualify for the rebates.**

How Large of a Rebate to Expect:

Rebates will vary depending on tax liability and income, but those who qualify will be eligible for up to \$600 for individual tax filers and \$1,200 for Joint Returns. In addition, taxpayers who have eligible children and qualify for the Child Tax Credit will be able to receive up to an additional \$300 per eligible child. The amount of refunds will be phased out for higher middle- to upper- income families, beginning at \$75,000 of income for single filers and \$150,000 of income for joint returns.

Impact on Eligibility for Public Assistance:

The rebates will NOT count as “income or assets” for the month they are received, and the following two months for determining eligibility for public assistance programs, if the benefit program is financed at all by the federal government. This includes Medicaid, Food Stamps and TANF and other important programs for low-income families.

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