
**COVID-19 STIMULUS PAYMENTS ON PEOPLE WHO RECEIVE
BENEFITS FROM SOCIAL SECURITY**
BY KATE MEANS & PETER GRIESER 4/9/2020

This memorandum explores the impact that the CARES Act, H.R. 748, 116th Cong. (2020) (hereinafter H.R. 748), passed in response to the COVID-19 pandemic, has on recipients of benefits from the Social Security Administration.

I. Will Social Security Beneficiaries Automatically Receive a Stimulus Payment?

While H.R. 748 originally required eligible recipients to file a tax return in order to receive the stimulus payment, following pressure from legislators and advocates, the Department of the Treasury has declared that Social Security beneficiaries will receive stimulus payments automatically based off their 2019 SSA-1099 if they did not file a 2018 or 2019 tax return. *Social Security Recipients Will Automatically Receive Economic Impact Payments*, U.S. DEPT OF THE TREASURY (April 1, 2020), <https://home.treasury.gov/news/press-releases/sm967>.

The authority is silent on recipients of Supplemental Security Income (SSI) who do not receive an SSA-1099. Advocates across the nation are seeking a fix to the system so that SSI recipients do not have to file taxes in order to receive stimulus payments. To date we have not been successful. As of today, people who receive SSI only will be advised by BLC to file a tax return for 2019. BLC is creating a tax clinic to help existing and former clients of BLC file their taxes. All other individuals can get be referred to United Way's Tax Help program, here: <https://www.getyourrefund.org/>.

II. The Stimulus Payment Will Not Count as Income or Resources

In the case of individuals receiving SSI benefits, the stimulus payments received “will not count as income or resources for a 12-month period in determining eligibility for, or the amount of assistance provided by, any federally funded public benefit program.” <https://crsreports.congress.gov/product/pdf/IN/IN11282> (citing 26 U.S.C. § 6409: “[A]ny...advance payment with respect to a refundable credit...under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility...for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program.”).

III. The Stimulus Payment Will Not be Garnished to Repay SSA Overpayments

For SSA benefit recipients who have incurred an overpayment, SSA may not garnish or reduce their stimulus payment in order to repay an alleged overpayment. H.R. 478 § 6428(d).¹ “[T]he bill turns off nearly all administrative offsets that ordinarily may reduce tax refunds for individuals who have past tax debts, or who are behind on other payments to federal or state governments, including student loan payments.” *CARES Act: Recovery Check FAQ*, Chuck Grassley, United States Senator for Iowa, (March 26, 2020), <https://www.grassley.senate.gov/news/news-releases/cares-act-recovery-check-faq>.

CONCLUSION

There are some unnecessary barriers that we will continue to advocate to change. Generally, the stimulus payment will not adversely affect SSA beneficiaries. Recipients will have 12 months to spend the stimulus payment before it is counted as income or resources, and those charged with overpayments will still receive their full stimulus payment – not subject to garnishment. Questions about this memorandum can be directed to Madeleine Harnois, madeleine@benefitslawcenter.org or Peter Grieser peter@benefitslawcenter.org

¹ The text of the bill I referred to seems to have repeated some subsections. I am using the version found at <https://www.congress.gov/116/bills/hr748/BILLS-116hr748enr.pdf>, and this citation refers to the second (d) of § 6428 on p. 58.