

A STIMULATING CONVERSATION

In 2020, the US government issued two rounds of economic stimulus payments to the public in response to the COVID pandemic. In April, the maximum was \$1,200 per taxpayer plus \$500 for each qualifying child. In December, the maximum was \$600 per taxpayer and \$600 per qualifying child.



The amount received was income-dependent and phased out as your income increased. However, because your 2020 taxes had not been filed, they were based on your 2018 or 2019 income. That meant some people got more than they should have and some were entitled to more than they got.

In actuality, they were prepayments of credits against your 2020 taxes. If you were overpaid, say, because you earned over the threshold in 2020 or your tax filing status changed, the good news is you don't have to pay anything back. However, if you are entitled to more, for instance because your income was lower in 2020 or you had a child, you can get it by claiming the Recovery Rebate Credit on **Line 30** of your 2020 tax return.

Given all that has happened in the interim, April of 2020 feels like a decade ago. If you can't remember how much you were paid, you can go to [IRS.gov/account](https://irs.gov/account) to view your IRS online account and find out. If you were paid the maximum, based on the number of people in your household, you don't need to do anything. If you were paid a partial amount you can use your tax software or the worksheet associated with the 1040 to determine any credit due. For more information: irs.gov/forms-pubs/about-form-1040. The IRS won't figure the credit for you, so be sure to enter it if you are owed it.

Maximum Payment

Single: Round I \$1,200/taxpayer, \$500/child; Round II \$600/taxpayer and child; Income Phaseout: \$75,000-\$99,999

Head of Household: Round I \$1,200/taxpayer, \$500/child; Round II \$600/taxpayer and child; Phaseout: \$112,500-\$136,500

Married filing jointly: Round I \$2,400 household, \$600/child; Round II \$600/taxpayer and child; Phaseout: \$150,000-\$198,000

— Ken Eaton, Managing Partner

TAX TIP	GIVING	WHO KNEW?	DEADLINE'S NEAR
If you're self-employed and pay the full 15.3-percent Social-Security tax (instead of splitting it with an employer), you can write off half of what you pay. This is true regardless of whether you itemize on your federal return.	Thinking of donating tangible property to a nonprofit (land, vehicle, collections, etc.)? Determining and documenting fair market value is important, especially if it is \$5,000 or greater. IRS Publication 561 can help. (irs.gov/publications/p561)	The Federal Reserve in Manhattan has more gold than Ft. Knox — about 212 million troy oz compared to 147 million at the fort. The Fed holds the gold for the US and foreign governments, other central banks and international organizations.	If you received a first-round PPP loan for your business and fulfilled all requirements, apply for forgiveness ASAP. If you don't do so within 10 months of the last day covered, your loan won't be forgiven. Remember: the loan isn't taxable.