



Maine Credit Union League

DECEMBER STIMULUS PACKAGE

Background

President Trump signed into law a \$900 billion stimulus package that includes (among many other things) up to \$600 direct, one-time payments to most Americans and an extension of unemployment benefits of up to \$300 per week until March 14. The legislation also extends jobless benefits to freelancers and independent contractors. The United States Treasury Department hopes to begin sending the \$600 direct payments immediately. Federal CARES Act Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) programs lapsed on December 26 and were reauthorized on December 28, which could cause a one-week delay in people receiving their benefits. Credit unions may see an increase of direct deposits once state unemployment agencies reinstate these federal unemployment benefits.

Legislation changes may not stop there, however, as Congress *potentially* could increase the direct payments from \$600 to as much as \$2,000 per individual. That measure was passed by the House of Representatives but was blocked in the Senate on 12/29. The Senate still could decide to address an increase in direct payments, but it would not impact the round of payments the Treasury plans to start sending as early as 12/29.

Sample Member Communication

"We want to share information about an economic relief payment you may be entitled to through the recently passed coronavirus relief bill. Within this bill, eligible individual adults with [adjusted gross income](#) on their 2019 tax returns of up to \$75,000 will receive a one-time payment of \$600. Married couples (or someone whose spouse died in 2020) earning up to \$150,000 a year will receive \$1,200. Families who meet those income requirements also will receive \$600 for each child under 17. People who filed taxes in 2019 using the "head of household" status and making up to \$112,500 also will get the \$600 payment, plus the additional amount for children. Payments begin to phase out when individual adjusted gross income exceeds the levels stated above, with payments going to \$0 when income reaches \$87,000 for individuals and \$174,000 for married couples.

If you qualify for a payment, you will receive your payment in one of two ways:

- If your financial account is on file with the IRS, your stimulus payment will be deposited directly into your account. The IRS will use the account information from your 2019 tax return filings.*
- If you do not have a financial account on file with the IRS, your payment check will be mailed to you at the address the IRS has on file. You can easily deposit your check*

using our mobile app, which can be downloaded here [\[LINK TO CREDIT UNION MOBILE APP\]](#).

*While the exact day payments will be distributed is unknown at this time, we expect the Treasury Department to begin distributing payments this week. However, please note that these payments could be sent in waves, and not everyone will receive payments at the same time. We also want to remind you that the IRS will **not** contact you for your personal information in order to provide a payment. Stay alert to fraud, and please do not share your confidential account details with anyone who contacts you by email or over the phone."*