

CARES Act Tax Questions

- IRS has delayed year-end tax returns for 2019 to July 15, 2020. However, Virginia has not extended the state tax return filing deadline to mirror the Federal return date. Do we not need to complete Federal return in order to be able to properly complete state return?
 - Taxpayers should consult with their tax preparers. At this point, a taxpayer will first need to complete their federal return before filing a Virginia return.
- Do those on SSA income only need to file a return to receive their payment?
 - No. Social Security recipients who weren't required to file federal tax returns for 2018 and 2019 will receive \$1,200 stimulus payments automatically based on information contained in their "1099" benefit statements. No additional paperwork is required.
- If I had to pay taxes in 2018 when filing my tax return (did not receive a 1040 refund), will I be eligible for the tax rebate check?
 - Yes. The recovery rebate check is an advance on a tax credit that can be claimed on the taxpayer's 2020 tax return. The amount of the recovery rebate check is dependent upon the taxpayer's 2019 adjusted gross income (or 2018 adjusted gross income if a 2019 tax return has not been filed yet).
- Can an adult dependent child (disabled child) over 17 qualify as a child for the recovery rebate check?
 - No. The CARES Act references Section 24(c) of the Internal Revenue Code in defining "qualified children." Section 24(c) imposes an age requirement (under age 17).
- What if you were not eligible for tax credit in 2018, but you will be in 2019 and you have not filed yet?
 - If the taxpayer has not filed a 2019 tax return, the IRS may examine the taxpayer's 2018 tax return to determine if the taxpayer is eligible for the rebate. If the taxpayer desires for 2019 adjusted gross income to be considered by the IRS, the 2019 tax return should be filed.