

Newsletter copy - draft

Starting in May, economic stimulus payments of up to \$600 for individuals or \$1,200 for married couples will be issued by the IRS based on 2007 tax returns. Parents also get \$300 for each eligible child.

To receive the payments this year, people must file a 2007 tax return. That's it. The IRS will determine eligibility, figure the amount and send the payment. This payment will be in addition to taxpayers' refunds.

But, the IRS needs your help. Many people are eligible for the payments but may not know it.

Some people do not file a tax return because their income is too low or their benefits are nontaxable. Because they don't file a tax return, the IRS does not know their names or addresses.

People who do not normally file a tax return but who have at least \$3,000 in qualified income may be eligible for a minimum payment of \$300 for individuals or \$600 for married couples.

The \$3,000 must come from specific sources. It must be earned from wages or self-employment. Or, it must be from certain benefits such as Social Security retirement, Railroad Retirement or Veterans Affairs payments to disabled veterans or veterans' survivors. It also can be from a combination of wages and these benefits.

There are some restrictions. People must have valid Social Security numbers for themselves and children. Those who are claimed as a dependent on someone else's tax return, or who are eligible to be claimed as a dependent on someone else's tax return, do not qualify.

The IRS is working with the Social Security Administration and Department of Veterans Affairs to locate their beneficiaries who may be eligible. Also, people who do not file a tax return because of low incomes are hard to locate. The IRS does not have their names or addresses.

Churches, charities, nonprofit and government organizations can help by spreading the word about these payments, especially to those people who normally don't file a tax return.

People who already file a tax return each year, need do nothing more to file their tax return. The IRS will do the rest. People who normally don't file a return can use Form 1040A with just a little information. There is no need to complete all the lines on the form. Details needed include:

- Name, address, Social Security number;

- Filing status, names and Social Security numbers of children;
- Workers with low incomes must complete Line 7;
- Recipients of certain benefits from Social Security retirement, Railroad Retirement and Veterans Affairs can report their total benefits on line 14a of Form 1040A;
- Write “Economic Stimulus Payment” at the top of the paper return.
- Sign the Return.

Filers with bank accounts should use direct deposit. It is the fastest way to receive stimulus payments. The IRS will begin sending taxpayers their payments in early May after the current tax season concludes. These payments will not be taxable nor will the payments affect any federal benefits people are receiving.

The IRS Web site, [www.irs.gov](http://www.irs.gov), is the best source of information on economic stimulus payments.