HOUSE COMMITTEE ON WAYS & MEANS
CHAIRMAN RICHARD E. NEAL

Updated March 31, 2020 with new information

Social Security and the CARES Act

Social Security and SSI recipients are eligible for the rebate payments. (See here for Ways and Means FAQs on the rebates in general.)

- Everyone is eligible for the full rebate payments as long as they have an SSN and their household incomes are not too high. Rebate payments start to phase out at the thresholds of $75,000 for single filers, $112,500 for head of household, and $150,000 for married filing jointly.
- This includes Social Security beneficiaries (retirement, disability, survivor) and Supplemental Security Income (SSI) recipients.
- The full rebate amounts are $1,200 per adult and $500 per child under age 17.
- Many people will be paid automatically by IRS, if they filed a 2019 or 2018 tax return. **Social Security beneficiaries and SSI recipients who did not file a tax return may need to take additional action, such as filing an abbreviated tax return, to receive a rebate.** This process is still evolving, and IRS is posting specific guidance at www.irs.gov/coronavirus.
- Like other tax credits, these payments do not count as income or resources for means-tested programs. So receiving a rebate will not interfere with someone's eligibility for SSI, SNAP, Medicaid, ACA premium credits, TANF, housing assistance, or other income-related federal programs.
- These rebates do not affect receipt of state or federal unemployment compensation.
- The bill also requires Treasury, in conjunction with SSA and other federal agencies, to conduct a "public awareness campaign" about the rebates, especially targeting those who do not file tax returns.
- The bill gives the Social Security Administration $38 million for its role in helping carry out the rebates, in addition to $300 million to bolster its overall service delivery in light of the significant challenges posed by COVID-19.

The CARES Act's payroll tax provisions have no effect on Social Security's trust funds:

- The bill lets employers temporarily delay payment of their share of Social Security payroll taxes. This does not mean they don't owe those taxes, but rather that they will make the payments in 2021 and 2022. This effectively allows the Federal government to loan these businesses funds to ensure they can continue operating during this crisis.
- Additionally, certain provisions in the CARES Act, and the recently-enacted Families First Coronavirus Response Act, rely on payroll tax credits to provide much-needed support for businesses during this time.
- None of these provisions change the amount or timing of money deposited into the Social Security trust funds, as the bill replenishes the trust funds from general revenues.
- They also do not alter the fundamental nature of Social Security as a contributory system where individuals earn their benefits with each paycheck.