

Everything There is to Know about the Second COVID-19 Stimulus Check

Form 1040 (2020) Page 2

16	Tax (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	16
17	Amount from Schedule 2, line 3	17
18	Add lines 16 and 17	18
19	Child tax credit or credit for other dependents	19
20	Amount from Schedule 3, line 7	20
21	Add lines 19 and 20	21
22	Subtract line 21 from line 18. If zero or less, enter -0-	22
23	Other taxes, including self-employment tax, from Schedule 2, line 10	23
24	Add lines 22 and 23. This is your total tax	24
25	Federal income tax withheld from:	
a	Form(s) W-2	25a
b	Form(s) 1099	25b
c	Other forms (see instructions)	25c
d	Add lines 25a through 25c	25d
26	2020 estimated tax payments and amount applied from 2019 return	26
27	Earned income credit (EIC)	27
28	Additional child tax credit. Attach Schedule 8812	28
29	American opportunity credit from Form 8863, line 8	29
30	Recovery rebate credit. See instructions	30
31	Amount from Schedule 3, line 13	31
32	Add lines 27 through 31. These are your total other payments and refundable credits	32
33	Add lines 25d, 26, and 32. These are your total payments	33
Refund	34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34
	35a Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a
Direct deposit? See instructions.	▶ b Routing number <input type="text"/> ▶ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	▶ d Account number <input type="text"/>	
	36 Amount of line 34 you want applied to your 2021 estimated tax	36

- If you have a qualifying child, attach Sch. EIC.
- If you have nontaxable combat pay, see instructions.

Toronto, Jan 6, 2021 (Issuewire.com) - Olivier Wagner, EA, and CPA who has been operating 1040 awards since 2012 discusses the seven stimulus check which was passed into law by President Trump during the last days of 2020.

The checks amount to only 600 dollars per person unlike the \$1,200 the first time that was passed in spring 2020. You can receive an additional six hundred dollars per dependent under the age of 17. There is a phase-out that applies if your income is more than \$75 000. This means that if your income is more than \$75,000, the amount of your stimulus check will be for a lower amount, reaching zero at \$87,000. For those filing as married-filing-jointly, the phase-out starts to apply after \$150 000 of income, reaching zero at \$174,000. These are paid in the form of direct deposits for those who claimed a refund on their 2019 return and indicated their direct deposit information on the 2019 tax return. Otherwise, it will be sent in the form of a paper check to the address on your 2019 tax return.

You would be entitled to get an additional six hundred dollars per dependent under the age of 17. This means that if you have dependents over the age of 17, being a son or daughter in the university or a parent to whom you're paying the living expenses you would not qualify for the additional 600 dollars for anybody over the age of 17. To qualify for the extra \$600 per dependent, they need to be 16 years or younger on December 31st, 2019. Questions may arise if this check applies for child support or other liabilities. Unlike the first round in which that was indeed the case, the second round is not subject to

garnishment meaning that states cannot ask the IRS to garnish the check to pay for child support.

The flip side of it is if you are owed the child support you will not receive it as a withdrawal from the other parent's check.

There is also news for those who have not received the first check that relates to the stimulus from spring 2020. Tax season is around the corner your 2020 tax return will be filed starting February 2021 so any stimulus check that you would not have received can be claimed as a refundable credit so you will receive it as a refund on your 2020 tax return. Line 30 is where you will be able to claim the "recovery rebate credit" which is commonly known as the stimulus checks. If you have not received it you can receive request it as a refundable credit on line 30 and then it will flow through to become an actual refund on line 34, where you can request a direct deposit if you so desire.

To know more about your prospects regarding the second COVID-19 stimulus check, contact Olivier Wagner by reaching out to him at owagner at 1040abroad.com or otherwise use the contact form on 1040abroad.com.

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