



## Stimulus Payments: Answers to Frequently Asked Questions

Updated April 14, 2008

Under the Economic Stimulus Act of 2008, more than 130 million American households will receive economic stimulus payments beginning in May. The only way to get one is to file a federal tax return for 2007. This filing requirement also applies to some people who do not normally file, including many low-income people and recipients of Social Security, certain benefits received from the Department of Veterans Affairs and certain Railroad Retirement benefits. The [Economic Stimulus Calculator](#) can help you estimate the amount of your payment.

Following are answers to some of the most commonly asked questions regarding the payments. Scroll down the list or choose a category:

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### Basic Eligibility

#### Q. What do I need to do to get an economic stimulus payment?

A. All you need to do is file a federal income tax return for 2007. Even if you are not otherwise required to file a tax return, you must file a 2007 return in order to receive a payment this year. Although some filers, such as high-income filers, will not qualify for a stimulus payment, most will.

In most cases, you will fill out your return, reporting all your income, deductions and credits as you normally would. But even if you are not required to file, you must file a 2007 return to get a stimulus payment this year. Low-income workers, Social Security beneficiaries, certain railroad retirees and those who receive certain benefits from the Department of Veterans Affairs who normally don't file may receive a stimulus payment if they do. The IRS will provide special filing instructions for those who do not otherwise have a filing requirement. The instructions will explain which lines on the tax return the filers need to complete.

You do not need to calculate the amount of the stimulus payment. If you want to estimate the amount of your payment, use the [Economic Stimulus Payment Calculator](#).

If you qualify, the IRS will automatically figure it and send it to you. The IRS will also send you a notice showing the amount of your payment. You do not need to call the IRS or fill out any other special forms.

#### Q. How do I find out if I am eligible?

A. The easiest way to find out is to use the [Economic Stimulus Payment Calculator](#). Most people with a 2007 net income tax liability will qualify. This includes most people who get tax refunds. Net income tax liability is the amount shown on Form 1040, Line 57 plus the amount on Line 52. For [1040A](#) filers, it is the amount on Line 35 plus the amount on Line 32. For Form 1040EZ filers, it is the amount on Line 10.

Families with children under 17 generally will qualify for an additional payment. Some people with no tax liability also will qualify. This includes Social Security and Railroad Retirement beneficiaries, recipients of certain veterans' payments, low-income workers with earned income and/or benefits of at least \$3,000 and individuals who have combined income of at least \$3,000 from any combination of these sources.

Some higher-income taxpayers will not receive a stimulus payment or will receive a reduced payment.

#### Q: I normally don't need to file a tax return. How do I know if I'm one of those people who may be eligible to receive an economic stimulus payment?

A: This group includes some recipients of Social Security, Railroad Retirement or veterans' benefits as well as taxovers who do not make enough money to normally have to file a 2007

tax return. For example, this can include low-income workers, those who receive Social Security benefits or veterans' disability compensation, pension or survivors' benefits from the Department of Veterans Affairs in 2007. These people will be eligible to receive a payment of \$300 (\$600 on a joint return) if they had at least \$3,000 of qualifying income.

Qualifying income includes Social Security benefits, certain Railroad Retirement benefits, certain veterans' benefits and earned income, such as income from wages, salaries, tips and self-employment. For people filing joint tax returns, only a total of \$3,000 of qualifying income from both spouses is required to be eligible for a payment.

**Q: I normally don't have to file a tax return but have enough in qualifying income to receive a stimulus payment. How do I find out more about how to file a tax return?**

More information is available in [Fact Sheet 2008-16](#). If you qualify, all you need to do is fill out Form 1040A in a few places. A [sample version of Form 1040A](#) illustrates which lines to fill out.

**Q. If I'm filing a tax return this year just to get a stimulus payment, by when do I have to file?**

A. The IRS encourages everyone to file by the normal April 15 tax deadline: The sooner you file the sooner you can receive your stimulus payment. But if you have obtained a valid six-month extension to file or if you are filing to establish your eligibility for the stimulus payment, filing by Oct. 15 means the IRS can process your return and issue a stimulus payment before the end of the year. *[New 3/5/08]*

**Q. I want to estimate my payment. Please explain how it is figured.**

A. Essentially, there are two parts to the stimulus payment: a basic amount based on tax liability, filing status or other qualifying factors if there is no tax liability and an additional amount based on whether a qualifying child is reported on the return.

**Basic Amount of Payment:** Taxpayers who had a net income tax liability will receive a payment, unless they can be claimed as dependents on someone else's return, are high-income individuals or do not have a valid Social Security Number. The payment is equal to the taxpayer's net income tax liability, but no more than \$600 for a single person or \$1,200 for a married couple filing a joint return. The minimum payment is \$300 for a single person or \$600 for a married couple filing jointly.

People with no net income tax liability will usually get a minimum payment of \$300 for a single person or \$600 for a married couple filing jointly, as long as they have qualifying income of at least \$3,000. To figure your qualifying income, add together the following amounts:

- Wages that are reported on Form W-2.
- Net self-employment income.
- Social Security benefits reported in box 5 of the 2007 Form 1099-SSA, which would have been received in January 2008. People who do not have a Form 1099-SSA may estimate their annual Social Security benefit by taking their monthly benefit and multiplying it by the number of months during the year they received the benefit.
- Certain Railroad Retirement benefits reported in box 5 of the 2007 Form 1099-RRB, which recipients would have received in January 2008.
- Veterans' benefits received in 2007, including veterans' disability compensation and pension or survivors' benefits received from the Department of Veterans Affairs. People who weren't required to file a tax return can estimate their annual veterans' benefits by taking their monthly benefit and multiplying it by the number of months during the year they received the benefit.
- Nontaxable combat pay if the taxpayer elects to include it as earned income.

**Extra Money for Qualifying Child:** Eligible taxpayers who qualify for a payment may receive an additional \$300 for each qualifying child. To qualify a child must be under age 17.

**Phase Out:** The stimulus payment — both the basic component and the additional funds for qualifying children — begins to phase out for individuals with adjusted gross incomes (AGI) over \$75,000 and married couples who file a joint return with AGI over \$150,000. The combined payment is reduced by 5 percent of the income above the AGI thresholds.

Here are two examples of how the phase out works:

- An individual with AGI of \$80,000 and federal income tax liability in excess of \$600 would qualify for a basic rebate of \$600. Because this individual's AGI exceeds

\$75,000, however, her rebate is reduced by \$250 (the credit is reduced by multiplying the amount of AGI over \$75,000 by 5%). The taxpayer receives an economic stimulus payment of \$350.

- A married couple with two children, AGI of \$160,000 and federal income tax liability before the child tax credit exceeding \$1,200 qualifies for a basic rebate of \$1,200 and an additional qualifying child credit of \$600 for a total rebate of \$1,800. But because the couple's AGI exceeds \$150,000, their rebate is reduced by \$500 (the amount of AGI over \$150,000 multiplied by 5%). The couple receives an economic stimulus payment of \$1,300.

Use the [Economic Stimulus Payment Calculator](#) to determine your eligibility and estimate the amount of your payment.

**Q. I am filling out the special Form 1040A to report my qualifying income. Which Social Security benefits should I report on Line 14a?**

A. The economic stimulus law refers to the same definition of Social Security and Railroad Retirement benefits used in IRS Publication 915. Thus, Social Security monthly retirement, survivor and disability benefits, or the Tier 1 Railroad Retirement benefits equivalent to those SS benefits, all count. This is the amount reported to you by the Social Security Administration as "Net Benefits for 2007" in Box 5 of Form SSA-1099 or by the Railroad Retirement Board in Box 5 of Form RRB-1099. Report this amount on Line 14a, Form 1040A. Determine the amount of your Veterans' benefits by multiplying your monthly benefit by the number of months during 2007 that you received the benefit. Supplemental security income (SSI) payments are not considered Social Security benefits and thus cannot be included. Because SSI is not taxable, it is not reported to you on Form SSA-1099. *[New 2/27/2008]*

**Q. Does rental income qualify as qualifying income?**

A. Rental real estate income is not earned income for purposes of the economic stimulus payment, unless it is net earnings from self-employment, as is certain farm rent or income received in the business as a real estate dealer. *[New 4/11/08]*

**Q. My child just turned 17 in December 2007. Do I still get the extra child payment?**

A. Not in this case. Eligible taxpayers who qualify for a payment may receive an additional \$300 for each qualifying child. But to qualify, a child must be under age 17 as of Dec. 31, 2007. In other words, if a child was 16 or younger at the end of 2007 and meets the other eligibility requirements, then the child will qualify for the \$300 stimulus payment.

**Q. Will receiving an economic stimulus payment in any way affect my eligibility for other federal benefits, such as temporary assistance for needy families, food stamps or Social Security? Will it count as income for purposes of my Social Security benefits?**

A: No. The stimulus payments will not have any effect on eligibility for federal benefits.

**Q: I know some people won't get a stimulus payment. How do I know if I'm one of them?**

A: You won't get a stimulus payment in 2008, if any of the following apply to you:

- You don't file a 2007 tax return.
- Your net income tax liability is zero and your qualifying income is less than \$3,000. To determine your qualifying income, add together your wages, net self-employment income, nontaxable combat pay, Social Security benefits, certain Railroad Retirement benefits and certain veterans' payments.
- You can be claimed as a dependent on someone else's return. For example, this would include a child or student who can be claimed on a parent's return.
- You do not have a valid Social Security Number.
- You are a nonresident alien.
- You file Form 1040NR or Form 1040NR-EZ, Form 1040PR or Form 1040SS for 2007.

**Q. If an individual dies, what happens to his or her direct deposit or stimulus check?**

A. Stimulus payments will be issued in the name of the individual eligible for payment on a filed 2007 income tax return or to the account designated by the individual on that return. This includes situations where a person dies after filing a return or where the final 2007 income tax return was filed by a personal representative or surviving spouse. Any issues or concerns

involving a decedent's filed return or the related stimulus payment should be addressed by the legal representative of the decedent's estate. See [Publication 559](#) for more useful information for survivors and personal representatives. *[Updated 3/17/08]*

**Q. Is pension income from employers considered income for the Economic Stimulus Package?**

A. No, pension income is not included in eligible income. *[Added 4/11/08]*

**Q. Was a special form created for people who would not normally file but are filing only to request their stimulus payments?**

A. A special mailout was sent to this group of people, providing specific details on how to request the payment. It included a Form 1040A that requires only a few lines to be completed. *[Added 4/11/08]*

**Q. How will members of the armed forces receive their stimulus payments?**

A. Members of the armed forces will need to file a 2007 income tax return to receive the stimulus payment. *[New 4/11/08]*

**Q. Will military personnel stationed in a combat zone get an automatic extension to file?**

A. Combat zone personnel are allotted an automatic extension to file their returns. However, if they wish to receive the economic stimulus payments, they must file their 2007 income tax returns in time for the IRS to process them before the end of the year. To ensure that a stimulus payment can be made this year, the return should be filed no later than Oct. 15. *[New 4/11/08]*

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## Taxpayer Identification Numbers

**Q. I file using an individual taxpayer identification number (ITIN). Can I still get a stimulus payment?**

A. No. The law does not allow stimulus payments to people who file a return using an ITIN. A taxpayer must have a valid Social Security Number to qualify for the stimulus payment. If married filing jointly, both taxpayers must have a valid Social Security Number. And children must have valid Social Security Numbers to be eligible as qualifying children.

**Q. If I currently have an ITIN and file my return but later this year get an SSN, can I amend my return to get the payment or will I need to wait until I file my 2008 return to claim it?**

A. You will need to wait until you file your 2008 income tax return to claim the economic stimulus payment. *[New 4/14/08]*

**Q. I have an ITIN, but my spouse has a valid Social Security number. Can we get a payment?**

A. If you and your spouse file a joint return, you will not get a stimulus payment. If your spouse files a separate return, your spouse may qualify for a payment, based on his or her income deductions and credits.

**Q. If I have a spouse with an ITIN and therefore choose "married filing separately" status to qualify for the Economic Stimulus Payment and later on amend my original return to "married filing jointly" status, will I need to return the stimulus payment?**

A. No. *[New 4/14/08]*

**Q. If I have a valid Social Security Number and my child has an ITIN, do I get extra money for the child?**

A. No. To qualify for the extra credit for qualifying children, not only do the taxpayer and spouse, if filing jointly, need valid Social Security Numbers, but the qualifying child must also

have a valid Social Security Number.

**Q. I adopted a child this year and my child has an ATIN (Adoption Taxpayer Identification Number). Will I receive the \$300 additional child payment?**

A. An ATIN is issued by the IRS as a temporary taxpayer identification number for the child. Adoptive parents who do not yet have a Social Security Number for their child will not get the advance payment. However, if they receive a Social Security Number for the child before the end of 2008, they can claim the additional child payment on their 2008 tax return.

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## When & How?

**Q. When will I receive my Stimulus Payment?**

A. The Treasury Department will make payments starting in early May. Early filers, especially those who choose direct deposit, will get their payments first.

If the IRS finishes processing your return by April 15, you will most likely get your payment based on this [schedule](#). If you choose direct deposit, this means your payment will arrive on May 2, May 9 or May 16. If you do not choose direct deposit, checks will be mailed between mid-May and mid-July. For this initial batch of stimulus payments, the payment date will be based on the last two digits of your Social Security Number. *[Updated 3/19/08]*

**Q. Will my Stimulus Payment be included in my regular tax refund? Will the checks or direct deposits come at the same time?**

A. No and no. There will be two payments. You will receive one payment for your regular tax refund and later you will receive a separate Stimulus Payment.

**Q. To which address is a stimulus payments mailed?**

A. The stimulus payment will be mailed to the last known address the IRS has on file. *[New 4/11/08]*

**Q. Are there plans for the IRS to launch a "Where's My Rebate" online application?**

A. Yes, an application is being developed. *[New 4/14/08]*

**Q. I have moved since filing my 2007 tax return. How will my payment reach me?**

A. You should file a Form 8822 with the IRS and a change of address notice with the U.S. Postal Service. This will ensure your check is sent to your new address. Without your current address, the check could be returned to the IRS as undeliverable.

**Q. Who can sign a tax return if the taxpayer is mentally or physically unable to sign it?**

A. If the taxpayer is mentally incompetent and cannot sign the return, it must be signed by a party with a valid power of attorney or a court-appointed representative who can act for the taxpayer. If the taxpayer is mentally competent but physically unable to sign the return or POA, a valid "signature" is defined under state law. It can be anything that clearly indicates the taxpayer's intent to sign. For example, the taxpayer's "X" with the signatures of two witnesses might be considered a valid signature under a state's law. *[New 4/4/08]*

**Q. Can I have my Stimulus Payment direct deposited?**

A. Stimulus Payments will be direct deposited for taxpayers who select that option when filing their 2007 tax returns. Taxpayers who already filed and requested direct deposit won't need to do anything else to receive the Stimulus Payment. Taxpayers who did not request Direct Deposit for their 2007 refund will receive a paper check by mail. The IRS reminds taxpayers who haven't filed their 2007 returns yet that Direct Deposit is the fastest way to get both regular refunds and Stimulus Payments.

**Q. If I'm not expecting a refund, should I still fill out the direct deposit line on my return so I can get my Stimulus Payment direct deposited?**

A. Yes. Even if you aren't due a refund on your tax return, filling out the bank routing information will allow for your Stimulus Payment to be direct deposited.

**Q. If I use Direct Deposit for my tax return refund and my bank account information later changes, what will happen when my Stimulus Payment goes out?**

A. Typically, the Direct Deposit will be rejected. After the IRS receives a rejection notice, the payment will be converted to a paper check and mailed to you.

**Q. If a taxpayer has provided incorrect direct deposit information on his or her tax return, is there any way to get that fixed?**

A. A taxpayer can call to notify the IRS of incorrect direct deposit information, but because of the timing of the refund, it may be difficult to stop the payment. The payment will be issued by paper check in instances where a payment is returned to the IRS by the bank. *[New 4/11/08]*

**Q. If a taxpayer provides incorrect direct deposit information and his or her refund is returned to the IRS, will the IRS also attempt to Direct Deposit the stimulus payment into the "bad" account?**

A. Once a payment is returned to the IRS, a paper check will be issued both for the original refund and for the stimulus payment. *[New 4/11/08]*

**Q. Is there something I can do to prevent my Stimulus Payment from being automatically deposited into the account that I identified for the Direct Deposit of my regular refund?**

A. Generally, if you designated Direct Deposit on a tax return, then the Stimulus Payment will go to the account number you designated. If the account number is no longer active, the IRS will send you a paper check. Under some circumstances you can prevent the payment from being automatically deposited.

If your regular refund has been deposited into your account via Direct Deposit and you contact the IRS before the week of April 13, the account information can be blocked to avoid the use of Direct Deposit for your Stimulus Payment. This will result in the issuance of a paper check that will be mailed to you.

However, if you contact the IRS on or after the week of April 13, the IRS will not have enough time to stop the Direct Deposit. In this situation, if you do not want your Stimulus Payment to go to the account listed on your tax return, you should contact your financial institution to discuss possible options. Finally, if the account number is no longer active, the IRS will send you a paper check. *[Updated 4/4/08]*

**Q. If my Direct Deposit goes to fund an Individual Retirement Account, what will happen if the deadline for my IRA has passed or the maximum amount has been funded?**

A. If you do not want your Stimulus Payment to go into the account listed on your tax return, you should contact your bank or financial institution to discuss possible options involving the account to either prevent the deposit from occurring or making sure the payment is routed to a non-IRA account.

**Q. If I apply my refund to my 2008 taxes, what happens to my Stimulus Payment?**

A. You will still receive a Stimulus Payment; it will not be applied to your 2008 taxes.

**Q. I chose direct debit to pay my tax bill. Will my Stimulus Payment be direct deposited to the same account?**

A. No, the account information used for an incoming Direct Debit payment to the IRS cannot be used as the account information for the Direct Deposit of the stimulus payment. People who choose Direct Debit to pay a balance due will receive their stimulus payments by paper check through the mail. *[Updated 3/3/08]*

**Q. I plan to choose direct debit to pay my tax bill. I know my economic Stimulus Payment will not automatically be direct deposited based upon the Direct Debit information I've provided to pay my tax bill, but can I also enter Direct Deposit information to receive my Stimulus Payment by Direct Deposit?**

A. Some tax preparation software will allow this, some will not. You will have to make this determination based on your own review of the tax preparation software you use. If the tax software allows you to enter both Direct Debit (Electronic Funds Withdrawal), as well as Direct Deposit information, doing so will allow your economic stimulus payment to be Direct Deposited. *[New 3/20/08]*

**Q. I used Direct Deposit to split my refund between several accounts when I filed my tax return. What will happen to my Stimulus Payment? Will it go to just one of the accounts?**

A. If you elected to split your refund between several accounts, you will not receive your Stimulus Payment by Direct Deposit. Instead, you will receive a paper check.

**Q. I want to choose Direct Deposit for my 2007 tax refund. Where do I find the "routing" number required by the IRS?**

A. For a checking account, you can find the nine-digit routing number on the face of your check to the left of your account number. For other types of accounts you should obtain the routing number from the account provider. Make sure you double-check both the routing and account numbers when putting in your Direct Deposit request. Keep in mind that whichever account you choose for the direct deposit of your tax refund is the account into which the IRS will deposit your stimulus payment.

**Q. I chose direct deposit for my 2007 tax refund but also requested a Refund Anticipation Loan (RAL) from my preparer. How does that affect my stimulus payment?**

A. Taxpayers who use RALs or enter into any other loan or financial agreement with their tax professional cannot receive their stimulus payments by Direct Deposit and instead will get a paper check.

**Q. Can my stimulus payment be directly deposited onto a stored value card or debit card where a bank product such as a RAL/RAC is not involved?**

A. No. *[New 4/14/08]*

**Q. Will the IRS allow me to provide it with direct deposit information, if I didn't include that information on my original tax return?**

A. Depending on the timing, you may be able to call the IRS to stop a direct deposit. But you cannot correct direct deposit information or request a direct deposit after a return has been filed. *[New 4/14/08]*

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## Other Questions...

**Q. If I live in Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam or the Commonwealth of the Northern Mariana Islands, will I get a Stimulus Payment?**

A. In many cases, the answer is yes. But special rules in the law apply to these five U.S. territories (possessions). In general, the tax authorities in each possession will make Stimulus Payments to eligible residents. The law provides guidelines under which the Treasury Department will make payments to each possession for this purpose. People in these areas with questions about the economic Stimulus Payments should contact their local tax authority.

**Q. I have not yet filed my 2007 tax return. Can I still qualify for a Stimulus Payment in 2008?**

A. Yes, but you must file a 2007 tax return. The IRS encourages you to file a return even if your income is low or much of your income is tax-free. File your return, if possible, by the regular April 15 deadline. If you file after April 15, with or without a tax-filing extension, your payment will be delayed. If you qualify for a payment, you can insure that you get it by filing your return by Oct. 15, 2008.

**Q. I owe some money on my 2007 tax return but the amount I owe is less than my expected Stimulus Payment. Can I wait to pay the balance due and simply let my Stimulus Payment cover it?**

A. You should file your 2007 return and pay the entire balance due by April 15. You should not wait for your economic Stimulus Payment to offset the balance due. If you wait, penalties and interest will accrue between April 15 and the date the balance is paid, even if it is ultimately covered by the Stimulus Payment, which will not be available before May. *[New 2/28/2008]*

**Q. My spouse and I have divorced and the Stimulus Payment check is made out to both of us. Can I cash it?**

A. If the check is made payable to both of you, then both must endorse the check. Even if you and your spouse are now divorced, both must sign the check. By law, each spouse is considered to receive half of the payment in cases where a joint 2007 return was filed.

If the filers chose to have their tax refund direct deposited, the Stimulus Payment will be direct deposited into the same account that received the tax refund.

**Q. Is my Stimulus Payment taxable?**

A. No. You will not owe tax on your payment when you file your 2008 federal income tax return. But you should keep a copy of the IRS letter you receive later this year listing the amount of your payment.

**Q. If my Stimulus Payment is not going to affect my 2008 tax refund or increase the tax I owe next year, why is it I need to retain the letter that lists how much I received?**

A. In the event you do not qualify for the full amount on your 2007 return but you do on your 2008 return, you will need to have the letter as a record of the amount you previously received. *[Added 4/11/08]*

**Q. Will the payment I receive in 2008 reduce my 2008 refund or increase the amount I owe for 2008?**

A. No, the Stimulus Payment will not reduce your refund or increase the amount you owe when you file your 2008 return.

**Q. I don't qualify for a Stimulus Payment based on my 2007 return. But my tax situation will be different in 2008. Will I qualify for any special benefit?**

A. Possibly. The 2008 tax instructions will include a worksheet to help those who did not qualify for a payment or those who received a reduced amount determine if they can obtain a benefit when they file their 2008 tax returns next year.

**Q. I'm eligible for a payment but I still owe federal income tax from a prior year. Will my payment be reduced?**

A. Yes. For this purpose, the Stimulus Payment is treated like any other tax refund. This means that part or all of your payment can be used to pay past-due federal or state income taxes or non-tax federal debt such as student loans and child support.

**Q. How will I be notified if my stimulus payment was used to offset an outstanding debt?**

A. If this occurs, you will receive a letter explaining how the Stimulus Payment was applied. *[Added 4/11/08]*

**Q. I am filing a joint tax return with my spouse who has a past-due obligation. How can I ensure that I still get my share of our joint Stimulus Payment?**

A. In this situation, you are considered an injured spouse. To get your share of a joint income-tax refund, as well as your share of the Stimulus Payment, you can file [Form 8379](#), Injured Spouse Allocation. You will get your share of these payments, and your spouse's share will be applied to his or her past-due federal or state income taxes or non-tax federal debt such as student loans and child support. Your allocation request will be processed more quickly if you attach Form 8379 to your regular 2007 federal income tax return. *[New 3/25/08]*

**Q. How will the IRS treat a stimulus payment when there is an innocent spouse involved?**

A. An innocent spouse determination for a 2007 income tax return would follow the filing of the return. In most instances, the stimulus payment will be issued before such a claim is filed and before a determination can be made. *[New 4/14/08]*

**Q. Why is IRS sending out two notices on the Stimulus Payments?**

A. The first notice will be general in nature, informing the recipient the IRS is preparing to disburse payments beginning in May. The second notice will be more specific, informing the recipient how much to expect in the payment and when it should arrive. *[New 2/27/08]*

**Q. Is the "Stimulus Payment" statement required for correct processing of low-income/Social Security/ VA benefits returns? Will the lack of the statement have a detrimental effect on taxpayers whose returns were filed without it?**

A. No, as long as the information is in the correct place the IRS will be able to calculate the correct stimulus payment amount. *[New 4/14/08]*

**Q. Am I entitled to the business portion of the stimulus package even if my adjusted gross income exceeds the threshold that phases out the basic credit?**

A. The individual and business parts of the legislation are separate and have different qualifications. *[New 4/14/08]*

**Q. What types of acquisitions will qualify for the 50% depreciation deduction? I am specifically wondering if farm buildings will qualify for this accelerated depreciation.**

A. To qualify for this deduction, property must have a recovery period of 20 years or less. Farm buildings normally qualify since they have a general depreciation recovery period of 20 years. The alternative recovery period of 25 years does not have to be considered unless the property is required to be depreciated under the Alternative Depreciation System. *[New 4/14/08]*

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**Related Items:**

- [Economic Stimulus Payments Information Center](#)
- [Tax Package 1040A-3 with sample Form 1040A](#)