

# WHAT YOU NEED TO KNOW ABOUT THE CORONAVIRUS STIMULUS PACKAGE

As you have probably heard, the US Senate has recently passed the Coronavirus Aid, Relief and Economic Security (CARES) act. A \$2 trillion emergency fiscal stimulus package. We want to make sure that you have all of the top-line information, as it may benefit you and your family

## **Individuals who earned \$75k or less AGI in 2019**

will receive a payment of \$1,200, while married couples with an AGI of up to \$150,000 will get \$2,400.

Additionally, taxpayers will receive an additional \$500 for each qualified child. Individuals with income above this \$75k threshold will see their relief payments reduced by \$50 for every additional \$1,000 reported in their AGI.

You can find your AGI on line 8b of your 2019 tax return, or line 7 of your 2018 tax return.

## **For those that had to file for unemployment benefits,**

there will be an increase of \$600 per week, for up to 4 months. as well as an expansion of benefits for those who would not normally qualify.

## **From a retirement planning perspective,**

there will no longer be a 10% early withdrawal penalty on distributions from retirement accounts for "coronavirus related distributions". Also, retirees who would normally take required minimum distributions (RMD's) from their retirement savings account, can waive them for 2020.

## **For small business owners**

that have been impacted by the virus. Businesses with up to 500 employees will be eligible to apply for a loan of up to \$10M, to cover payroll and other business related costs. These loans would also be eligible for forgiveness.

## **For people with federal student loans,**

they now have the option to defer payments through September of 2020.

***We are beside you as we navigate all of these changes. Please don't hesitate to give us a call to discuss any of these benefits in detail.***