



A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
ATTORNEYS AT LAW

To: All Pension Clients
From: Klausner Kaufman Jensen & Levinson
Re: CARES Act payments

The new CARES Act provides Americans below a certain income threshold with advance refundable tax credit payments of \$1200 per person or \$2400 for joint filers. Certain taxpayers can also receive an additional payment for children.

The distribution of these federal checks will be based on tax returns or Social Security records. If your plan has members whose benefit level does not require the filing of a tax return, it is highly recommended they immediately file a tax return for 2019. This is particularly important for those who do not receive Social Security. Filers who have \$0 tax liability can file for free at the Internal Revenue Service website. The tools are available at the following link: <https://www.irs.gov/filing/free-file-do-your-federal-taxes-for-free>

This recommendation is based on our work with NASRA during the drafting of the bill and confirmed by tax practitioners with whom we consulted. In addition, the following recommendation appeared today from Senate Committee on Finance:

“Are seniors whose only income is from Social Security or a veteran whose only income is a veterans’ disability payment eligible? Yes, as long as they are not the dependent of another taxpayer. The bill also provides IRS with additional tools to locate and provide rebates to low-income seniors who normally do not file a tax return by allowing them to base a rebate on Form SSA-1099, Social Security Benefit Statement or Form RRB-1099, which is the equivalent of the Social Security statement for Railroad Employees. *However, seniors are still encouraged to file their 2019 tax return to ensure they receive their recovery rebate as quickly as possible.*”

For the full report and FAQ from the Finance Committee, please review the following link:

<https://www.finance.senate.gov/chairmans-news/cares-act-recovery-check-faq>

As we have advised, we are fully operational on a remote basis during this crisis and are available to answer your questions.

7080 NORTHWEST 4TH STREET, PLANTATION, FLORIDA 33317

PHONE: (954) 916-1202 • FAX: (954) 916-1232
www.robertdklausner.com

