

 Fact Sheet

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Recovery Rebate Credit Is for Individuals Who Missed Last Year's Economic Stimulus Payment

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The Recovery Rebate Credit is a special one-time benefit that most people received last year in the form of an Economic Stimulus Payment. But people who did not receive the maximum amount of the Economic Stimulus Payment, and whose circumstances have changed, may be eligible now.

In most cases, the IRS will be able to calculate whether a person is eligible and how much of the credit may be due. Taxpayers can choose this option by simply filing a 2008 Form 1040, 1040A or 1040EZ and following the "Credit Figured by the IRS" instructions. People, however, may choose to calculate the Recovery Rebate Credit themselves.

Commercial tax preparation software will automatically calculate the Recovery Rebate Credit. The credit can also be calculated by following the instructions on the 2008 forms 1040, 1040A or 1040EZ. The instructions for forms 1040, 1040A and 1040EZ all include a worksheet for this purpose.

In order to calculate the Recovery Rebate Credit, a person needs to know the amount of the Economic Stimulus Payment received in 2008. This amount was provided on Notice 1378, Economic Stimulus Payment Notice.

Two Online Tools Can Help Figure the Credit

Two online tools will be available on IRS.gov, the IRS Web site, to help people figure the credit:

- *The Recovery Rebate Credit Calculator* will help taxpayers determine if they are eligible for the credit and, if so, figure the amount that should be claimed. To use this calculator, the user must know the exact amount of the economic stimulus payment received last year. (This calculator will be available by the end of January in the Recovery Rebate Credit Information Center on IRS.gov.)
- *How Much Was My 2008 Stimulus Payment?* This tool is designed to provide the amount of last year's stimulus payment.

Both of these tools are available through the [Recovery Rebate Credit Information Center](#) on IRS.gov.

Who Is Eligible for the Recovery Rebate Credit?

Last year's Economic Stimulus Payments were based on 2007 tax return information, while the Recovery Rebate Credit will be based on 2008 return information. Since many individual taxpayer situations may change from year to year, some people who were not eligible last year will be eligible now. Following are some factors that may affect eligibility for the Recovery Rebate Credit.

Income change: Some people may have received less than the full Economic Stimulus Payment in 2008 (\$600 for single filers or \$1,200 for married filers) because their qualifying or gross incomes were either too high or too low. A change in income could make a filer eligible for more of the credit in 2009.

Addition of a child: Filers could get an additional \$300 for the birth or adoption of a child in 2008.

Social Security and veterans' benefits recipients: If a retiree or veteran did not receive at least \$3,000 in qualifying benefits in 2007 but did collect at least that amount in 2008, he or she may be eligible.

No longer a dependent: Individuals who were claimed or could be claimed as a dependent on someone else's tax return in 2007, but who cannot be claimed as a dependent on someone else's return in 2008, may now be eligible.

Social Security Number: Individuals who did not have a valid Social Security Number in 2007 but received one in 2008 may now be eligible.