



# The Ryan/Khanna Emergency Money for the People Act

## **Monthly Checks of \$1K+ for Those Hit Hardest by COVID-19 Crisis**

*Reps. Tim Ryan and Ro Khanna have announced they will soon be introducing the Emergency Money for the People Act to deliver monthly checks of \$1,000 for every American adult earning up to \$130,000. Families with children would receive up to \$1,000 more. The IRS would cut monthly checks to the vast majority of Americans for 6 months, and at the end of 6 months, Congress would vote on whether to extend the program for another 6 months.*

### **MORE MONEY FOR MORE PEOPLE**

The Emergency Money for the People Act would provide monthly checks of \$1,000 to every adult earning up to \$130,000. Payments would continue for six months, with the potential for an additional six month extension. The EMPA would:

**Guarantee immediate, targeted monthly payments of \$1,000 for each adult, and up to an additional \$1,000 for families with children.**

EMPA will provide immediate, monthly cash payments, based on 2019 tax returns, to low- and middle-income families, who are struggling with the coronavirus outbreak and resulting economic toll and need direct financial support.

- For married filers, payments of \$1,000 per adult (\$2,000 per married couple) to households earning up to \$260,000, with amounts phasing out until \$280,000 of income.
- For single filers, payments of \$1,000 per adult earning up to \$130,000 (the IRS threshold for “highly compensated individuals in tax year 2020), with amounts phasing out until \$140,000 of income.
- For all qualifying households, families with one child receive \$500, and families with two or more children receive \$1,000. Children under 18 in eligible households per the criteria above are eligible for the child payment if they were eligible for the 2019 Child Tax Credit, except that filers of any age (and their spouses) who claim dependents are instead eligible for the adult payment.
- None of these payments will count toward eligibility asset limits for other benefit programs, such as SSI, SNAP, LIHEAP, or TANF.

**Provide guaranteed sustained assistance through the economic crisis**

- While there are many proposals to provide immediate cash payments to Americans, the Ryan/Khanna proposal would provide the vast majority of American households the guarantee that they could rely on these monthly payments for six months.
- After six months, Congress would vote on whether to extend this cash assistance program for another six months.

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**Ensure support for unemployed and others without income**

- Providing this support would ensure that students and those who are unemployed, in job training programs, or have non-traditional employment without earned income have a financial lifeline during this crisis.

**End the exclusion for working- and middle-class immigrant taxpayers.**

- Workers who pay taxes and file with ITINs are barred from receiving the EITC (and many cannot receive the Child Tax Credit), but are included in Emergency Money for the People.

**MORE QUICKLY****The EMPA would direct the IRS to send out the first payment within 21 days of enactment**

- The [Treasury Department has committed](#) to sending out initial payments to individual taxpayers beginning on April 6th, with the distribution of checks administered by the IRS and the Bureau of the Fiscal Service.
- The payments will be distributed most quickly to the 68 million filers who have already filed their taxes this year, and the administration is currently proposing to delay *payment* of taxes owed but not the filing due date of April 15, so most returns should still be filed by that date.
- The IRS already has all of the information to calculate and distribute Emergency Money for the People to Americans who have filed their 2019 tax returns, even if they were not eligible for the traditional EITC.

**Create an extremely simple online form for the newly eligible who cannot be automatically identified.**

- In order to make Emergency Money for the People easy to claim for those who did not file taxes in 2019, the bill would require the IRS to create an extremely short and simple form, which could be filled out on paper or online, that would act as an amended or original tax year 2019 return.