

TARGETING CHECKS TO FAMILIES UP TO \$100K ALLOWS FOR TWO CHECKS AT THE SAME COST

NEW INCOME THRESHOLDS BUILT AROUND MEDIAN INCOME

Checks phase out between –

Single

\$30,000 and \$40,000

Married, no kids or HOH

\$40,000 and \$80,000

Married with dependents

\$50,000 and \$100,000

BIDEN PROPOSAL: Boost to \$2,000 with \$1,400 per person, one-time, with CARES Act income limits

- △ Checks go to 95% of the population, including high-income families who don't need the help.
- △ Details: \$1,400 check now (TOTAL cost: \$434 billion).

TWO TARGETED CHECKS AT LOWER COST THAN BIDEN PLAN: \$1,400 now, then \$1,000 check in 3 months

- △ One check runs out for low- and middle-income people within months: 75% of CARES Act recipients spent their checks within 3 months. (Claudia Sahm) 53% of Americans say new \$600 checks will last less than a month. 69% say 3 months or less. (BankRate.com)
- △ Low-income families spend; high-income families save: “[L]ower-income households were significantly more likely to spend their stimulus checks, as were households facing liquidity constraints.” (Coibion, et al., August 2020, NBER)
- △ Help those who need help and will spend it: 84% of total benefits to bottom 60% of households (under \$65,000). 41% of benefits go to households of color vs. 34% in Biden plan. (ITEP)
- △ Details: \$1,400 check now, then \$1,000 check 3 months later (TOTAL cost: \$423 billion)

Detailed rationale for a second check: <https://economicsecproj.org/whytargeted>