

Economic Impact Payments

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, which, among other things, authorizes economic impact payments (also referred to as “stimulus payments” or “recovery rebate payments”) to eligible individuals. For details on these economic impact payments, please visit www.irs.gov/coronavirus. More information about the IRS Offset program for the collection of past due child support can be found in the next section below.

Up-to-date FAQs can be found on the IRS site at: <https://www.irs.gov/coronavirus/economic-impact-payment-information-center> and the treasury site at: <https://fiscal.treasury.gov/top/faqs-for-the-public-covid-19.html>

Question and Answers

1. Will my Economic Impact Payment be intercepted to pay past due child support?

Yes. Federal law requires child support agencies to have procedures to collect past due child support from federal tax refunds. In the federal stimulus bill, the CARES Act, Congress did not exempt the stimulus rebate payments from federal offsets for past due child support.

2. How much of my Economic Impact Payment can be offset to satisfy my delinquent child support debt?

Your entire economic impact payment can be offset, up to the amount of your child support debt.

3. How do I know how much past due child support I owe?

Customers can view past due child support information in Ohio’s Child Support Customer Service Web Portal. For more information on the web portal, and how to register, please visit: <http://jfs.ohio.gov/Ocs/CustServWebPortalWelcome2.stm>

Customers can also contact their local county child support agency. A directory of all Ohio County Child Support Agencies can be found at: http://jfs.ohio.gov/County/County_Directory.pdf

4. If I owe child support, will I be notified that my Economic Impact Payment is going to be applied to my child support arrearage balance?

Yes. You were sent a notice when your case was initially submitted for federal tax refund offset. The federal government should send an offset notice to you when your economic impact payment has been intercepted. The notice will tell you that your stimulus rebate payment has been applied to your child support debt.

5. How long will it take for the offset to apply to my child support debt?

If the last return was not joint, the refunds may take up to six weeks from the date of the offset notice to the date the collection is posted to the child support case. If an offset involves a joint federal return, all or part of the refund can be automatically held for six months to allow time for the current spouse to file an injured spouse claim.

Economic Impact Stimulus payments are now being received from the IRS weekly and will be processed as quickly as possible. Some customers will see payments post to their child support case beginning June 8, 2020, with the majority being posted by the end of June/beginning of July based on when the state received the payment from the IRS.

6. How do I know if my Economic Impact Stimulus payment has been posted to my child support case?

Customers can view all payments received on their case in Ohio's Child Support Customer Service Web Portal. For more information on the web portal, and how to register, please visit: <http://jfs.ohio.gov/Ocs/CustServWebPortalWelcome2.stm>

7. Are there any exceptions for a financial hardship?

The CARES law does not exempt certain economic impact payments from being intercepted for past due child support. For questions about your debt or your payment being offset, the Interactive Voice Response (IVR) system at 1-800-304-3107 listed above can provide you with the contact information for the child support agency who certified your debt.

8. What if my spouse is the person responsible for paying child support but my Economic Impact Payment is being intercepted?

If you are receiving your economic impact payment jointly with your spouse and only the spouse owes the child support debt, you can file an injured spouse form with the IRS. Please visit IRS website at <https://www.irs.gov/forms-pubs/about-form-8379> to file your claim.

However, If you are married filing jointly and you have already filed an injured spouse claim with a 2019 tax return (or 2018 tax return if the 2019 return has not been filed), half of the total economic impact payment should be sent to each spouse; however, the spouse who owes child support debt would have their economic impact payment offset for past-due child support. In this situation, there is no need to file another injured spouse claim for the Payment.

For example, if the couple were eligible for \$2,400 and the injured spouse had filed a claim against the 2019 tax return, the injured spouse should receive \$1,200 and the noncustodial parent offset for \$1,200. Another example is if an economic impact payment includes a child credit, which is also eligible for offset. If the couple were eligible for \$2,900 (joint amount at

\$2400 + 1 child at \$500), the injured spouse should receive \$1,450 with the remaining \$1,450 offset.

Please see: <https://www.irs.gov/coronavirus/economic-impact-payment-information-center>

9. How long do I have to file an injured spouse claim?

Offset refunds from joint returns are automatically held for six months or until an adjustment is received, whichever is sooner. During that time the current spouse can file an injured spouse claim for his/her share of the refund using IRS Form 8379. The IRS determines the amount of the adjustment and refunds it directly to the current spouse. The spouse has 3 years from the due date of the original return to file the form.

10. What if my spouse filed an injured spouse claim with our 2018 or 2019 federal tax returns but his/her portion of the Economic Impact Payment was still offset?

The IRS is aware that in some instances a portion of the payment due to a spouse who filed an injured spouse claim with his or her 2019 tax return (or 2018 tax return if no 2019 tax return has been filed) has been offset by the non-injured spouse's past-due child support. The IRS is working with the Bureau of Fiscal Service and the U.S. Department of Health and Human Services, Office of Child Support Enforcement, to resolve this issue as quickly as possible. If you filed an injured spouse claim with your return and are impacted by this issue, you do not need to take any action. The injured spouse will receive their unpaid half of the total payment when the issue is resolved.

11. What if my spouse is not going to file an injured spouse claim? Can the money be released prior to the 6 months?

Please contact your local child support agency for options. A directory of all Ohio County Child Support Agencies can be found at: http://jfs.ohio.gov/County/County_Directory.pdf

12. I don't believe I have a delinquent child support debt. Who can I call to check?

If you have questions regarding whether you owe a child support debt that has been referred to TOP, you can call the TOP Interactive Voice Response (IVR) system at 800-304-3107. If you believe your payment was intercepted in error or have questions on the past due child support you owe, please contact your county child support agency. A directory of all Ohio County Child Support Agencies can be found at: http://jfs.ohio.gov/County/County_Directory.pdf

13. What if I have additional questions on Economic Impact Payments?

These questions, and others, can be answered by visiting the IRS website at www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know

IRS Offset for the Collection of Past Due Child Support

Enacted by Congress, the Federal Income Tax Refund Offset Program intercepts federal tax refunds of noncustodial parents who owe past-due support. When Treasury processes tax refunds, it identifies those who owe past-due support and intercepts all or part of the tax refund. Treasury forwards the intercepted or offset funds to the state child support agencies to pay the past-due support.

At the time of the Federal Tax Refund Offset, Treasury's Bureau of the Fiscal Service mails a Notice of Offset to the noncustodial parent stating that all or part of their federal tax refund has been intercepted because of the support debt. The notice explains to contact the local child support agency for further information. The state that submitted the case typically receives money from a tax refund offset within two to three weeks. If the tax refund offset is from a jointly filed tax return, the state may hold the money for up to six months before disbursing.

Eligibility

A noncustodial parent's return is subject to offset:

- If TANF has been received for your child and the total amount of past due support on all your child support cases must be at least \$150
- If TANF has not been received for your child, the total amount of past due support on all your child support cases must be at least \$500

Authority

26 U.S. Code § 6402 provides the authority to make credits or refunds under General Rule, subsection C:

(a)GENERAL RULE

In the case of any overpayment, the Secretary, within the applicable period of limitations, may credit the amount of such overpayment, including any interest allowed thereon, against any liability in respect of an internal revenue tax on the part of the person who made the overpayment and shall, subject to subsections (c), (d), (e), and (f)¹, refund any balance to such person.

¹ Additional offsets include: (d) COLLECTION OF DEBTS OWED TO FEDERAL AGENCIES, (e) COLLECTION OF PAST-DUE, LEGALLY ENFORCEABLE STATE INCOME TAX OBLIGATIONS, (f) COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS

(c) OFFSET OF PAST-DUE SUPPORT AGAINST OVERPAYMENTS

The amount of any overpayment to be refunded to the person making the overpayment shall be reduced by the amount of any past-due support (as defined in section 464(c) of the Social Security Act) owed by that person of which the Secretary has been notified by a State in accordance with section 464 of such Act. The Secretary shall remit the amount by which the overpayment is so reduced to the State collecting such support and notify the person making the overpayment that so much of the overpayment as was necessary to satisfy his obligation for past-due support has been paid to the State. The Secretary shall apply a reduction under this subsection first to an amount certified by the State as past due support under section 464 of the Social Security Act before any other reductions allowed by law. This subsection shall be applied to an overpayment prior to its being credited to a person's future liability for an internal revenue tax.

Frequently Asked Questions

Answers to commonly asked questions can be found at: <http://jfs.ohio.gov/Ocs/OCSFAQs.stm#19>