

HERE'S HOW TO

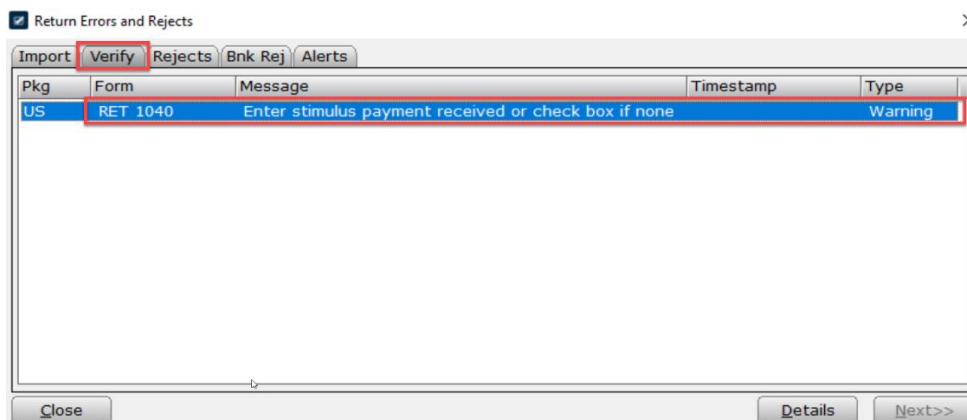
Use the Recovery Rebate Credit Worksheet in the TY2020 Tax Program

The **Recovery Rebate Credit** is authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. More details about the Recovery Rebate Credit are available [here](#) at IRS.gov.

Any eligible individual who **did not receive any and/or the full amount** of the recovery rebate (aka *stimulus* or *economic impact* payment) as an advance payment, can claim the Recovery Rebate Credit on a 2020 Form 1040 or Form 1040-SR. Generally, this credit will increase the amount of the taxpayer's TY2020 refund or lower the amount of the tax they owe (any EIP over-payments do not impact the refund calculation and do not have to be paid back). These forms can also be used by people who are not normally required to file tax returns but are eligible for the credit.

- The second payment is considered a 2020 event and is incorporated into the Recovery Rebate Credit on the TY2020 federal return. This is true even though some payments will not be received by taxpayers until early 2021.

Important Tax Program Note: While IRS states taxpayers “do not need to complete any information about the Recovery Rebate Credit on your 2020 Form 1040 or 1040-SR if you received all your recovery rebate in 2020”, the tax program will return an informational **Verification Warning Message** if you do not complete the Recovery Rebate Credit Worksheet on the tax return.



Note: This message is simply an informational warning and **does not** prevent the e-Filing of the tax return.

This helpful guide provides easy instructions for how to complete the **Recovery Rebate Credit Worksheet**, including how to enable or disable the displaying of *Verification Warning Messages* if you choose that option.

Option 1 (Recommended): Complete the Recovery Rebate Credit Worksheet

To satisfy the Verification Warning Message, complete the **Recovery Rebate Credit** worksheet as follows:

1. Enter the amount of payment(s) received, including any off-set amount that was withheld from the payment(s) by the Treasury Department (*off-sets were limited to child support*).

Note: If taxpayers are uncertain of the amount they received, they should locate and refer to **Notice 1444** (Payment 1) and **Notice 1444-B** (Payment 2) the IRS sent to all taxpayers who received payments.

2. If no payment(s) were received, mark the applicable check box in each column.

Enter the amounts, if any, of the stimulus payments you received (before offset) as shown on Notices 1444 and 1444-B. If you filed a joint return for 2019 and received the stimulus payments you and your spouse are treated as having received half of the payment. Don't include on this line any amount you received but later returned to the IRS.

	EIP 1	EIP 2
- Taxpayer's stimulus amount for all filing statuses (include combined taxpayer/spouse amount if MFJ in 2019 and 2020)	Notice 1444	Notice 1444-B
- Spouse's stimulus amount only if spouse did not file MFJ with taxpayer in 2019. Otherwise, leave blank.		
- Check box if no stimulus payment was received	<input type="checkbox"/>	<input type="checkbox"/>

1. Can you be claimed as a dependent on another person's 2020 return?
 - No.** Go to line 2
 - Yes.** You can't take the credit. STOP here
2. Does your 2020 tax return include a valid social security number for you, and if filing a joint return, your spouse?
 - Yes.** Skip lines 3 and 4, and go to line 5
 - No.** If you are filing a joint return, go to line 3
If you are NOT filing a joint return, STOP here. You can't take the credit
3. Was at least one of you a member of the US Armed Forces at any time during 2020, and does at least one of you have a valid social security number?

If the taxpayer is **eligible** for an Economic Impact Payment (or an additional payment), the amount will appear on Line 30 of Form 1040 (or Line 30 of Form 1040-SR).

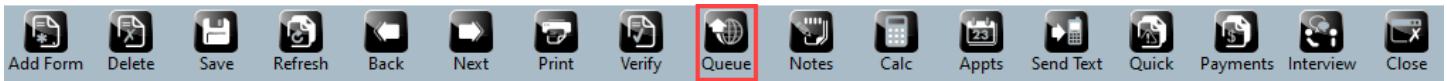
26	2020 estimated tax payments and amount applied from 2019 return		26
27	Earned income credit (EIC)	27	
28	Additional child tax credit. Attach Schedule 8812	28	
29	American opportunity credit from Form 8863, line 8	29	
30	Recovery rebate credit. See instructions	30	
31	Amount from Schedule 3, line 13	31	
32	Add lines 27 through 31. These are your total other payments and refundable credits		32
33	Add lines 25d, 26, and 32. These are your total payments		33

• If you have a qualifying child, attach Sch. EIC.
• If you have nontaxable combat pay, see instructions.

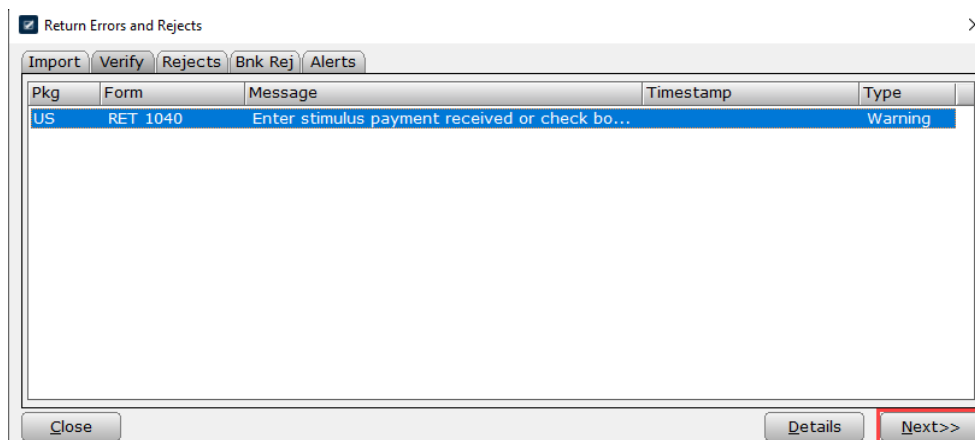
Option 2: Do Not Complete the Worksheet and Bypass the Verification Warning Message

If you choose to not complete the **Recovery Rebate Credit Worksheet** and need to bypass the Verification Warning Message (Example: Taxpayer does not have IRS Letter 1044 and does not remember the amount of their payment received), follow the steps below:

1. Click the **Queue** button in the toolbar.



2. Click the **Next** button to bypass the informational Verification Warning Message

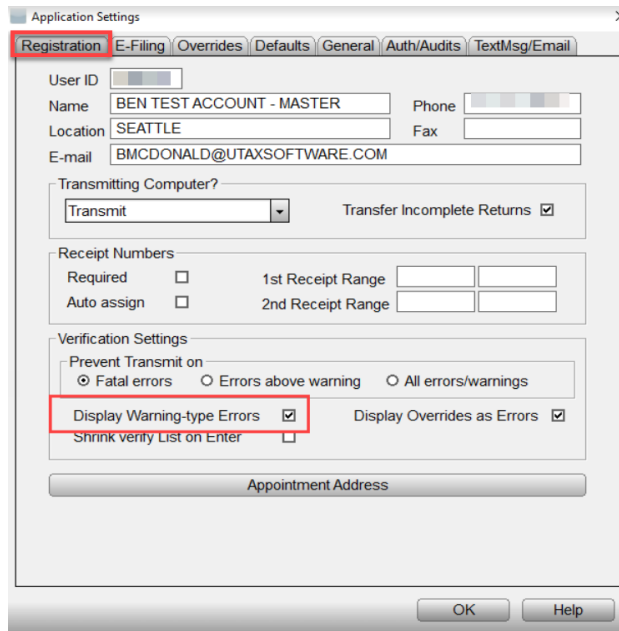
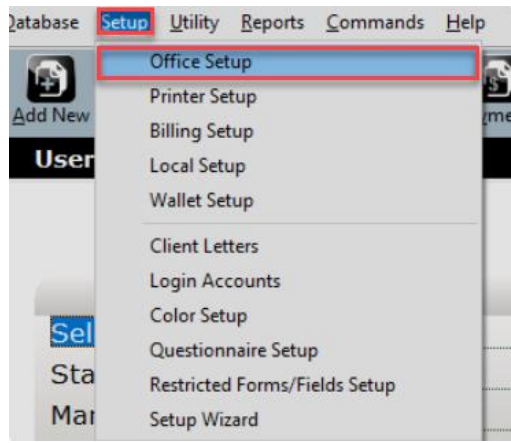


3. Proceed with return processing as normal

Optional: Steps to Disable / Enable Verification Warning Messages

If you do not receive this Verification Warning Message and/or prefer to not receive the messages, follow these steps:

1. Click the **Setup Menu** located on the Work in Progress (WIP) Screen.
2. Click > **Office Setup** > **Applications Settings** > **Registration** tab.



3. To enable and/or disable the display of informational **Verification Warning Messages**, mark, or unmark the “**Display Warning-type Errors**” checkbox.

For more information on **Economic Impact Payments** along with answers to an extensive list of FAQs, please go to: [IRS.gov/Coronavirus](https://www.irs.gov/Coronavirus) and Economic Impact Payment [FAQs](#).

If you have additional questions about the instructions contained in this *Here's How To* guide, please contact our **Partner Support Team** at **206-209-2653**. You can also email us at help@erosupport.com.