

## FACT SHEET: ECONOMIC STIMULUS EQUITY

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### PURPOSE

The federal CARES Act, among other things, advances \$1200 to each adult taxpayer and \$500 for each child in the US. However, these funds are not universally granted to every taxpaying individual or every vulnerable person in need of emergency assistance. **The purpose of this proposal is to create parity for all Vermonters by providing \$1200 to each adult and \$500 for each child who was excluded from receiving CARES Act economic stimulus payments due to their or someone else's immigration status.** This includes mainly three groups of people:

- anyone who does not have a Social Security number, including anyone legally present who does not have a Social Security number
- anyone filing taxes jointly with a person who does not have a Social Security number (including 8.2 million U.S. citizens nationally)
- the child of a person who does not have a Social Security number

Included In Proposal	Estimated No. <sup>1</sup>
Child	1,000
Adult – Citizens and Legal Permanent Residents	500
Adult – Immigrants with lawful status and no SSN	500
Adult – Undocumented – Dairy Sector	1,250
Adult – Undocumented – Other Sector	1,750
<b>TOTAL</b>	<b>5,000 Vermonters</b>

### STAKES

This is of particular importance to Vermont, because of Vermont's dependence on its agricultural economy and the agricultural economy's dependence on migrant labor. In essence, the least protected segment of the state's most important industry has been deliberately passed over. Additionally, many undocumented Vermonters pay into the tax system through payroll deductions, but do not file for returns. In essence, they are *taxpayers*, but not tax *filers*.

### TECHNICAL FINANCIAL DETAILS

The CARES Act explicitly excludes “non-resident aliens” from receiving the stimulus payment (CARES Act [Title II, Subtitle B, Sec. 2201](#)). “Non-resident alien” is defined by the IRS, not in immigration law. The definition is “An alien is any individual who is not a U.S. citizen or U.S. national. A nonresident alien is an alien who has not passed the green card test or the substantial presence test.” The CARES Act also states that anyone seeking a stimulus rebate must include a SSN in the federal tax return filing for the taxable year. It is possible to file taxes without a SSN—typically, filers will use an ITIN<sup>2</sup>. The state has identified at least 295 VT filers in VT for Tax Year 2019 who used or were tied to an ITIN.

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<sup>1</sup> Sources: 2016 report by [New American Economy](#); 2017 report by the [American Immigration Council](#); 2016 [Pew](#) report; Census data; estimates conducted by UVM researchers, UVM Extension Program, and Migrant Justice;

<sup>2</sup> ITIN: Individual Taxpayer Identification Number. A tax processing number issued by the IRS to individuals who are required to have a U.S. taxpayer identification number but who do not have, and [are not eligible](#) to obtain, a Social Security number (SSN). They are issued to help individuals comply with the U.S. tax laws, and [are issued regardless of immigration status](#), because both resident and nonresident aliens may have a U.S. filing or reporting requirement under the Internal Revenue Code. ITINs do not serve any purpose other than federal tax reporting.