

News

Kansas Commission on Veterans' Affairs

KCVA operates 2 veterans' homes, manages 4 veterans' cemeteries, and assists veterans in receiving benefits.

Jack Fowler, Chairman

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George Webb, Executive Director

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KCVA HAS IMPORTANT INFORMATION FOR VETERANS REGARDING PRESIDENT'S STIMULUS PACKAGE

The Internal Revenue Service has contacted the Kansas Commission on Veterans' Affairs, asking that important information be passed to veterans who are expecting a rebate in May as part of the President's economic stimulus package. Many veterans do not have to file tax returns, but they must do so this year to be eligible for the stimulus payment. The minimum payment for those who qualify is \$300 for individuals and \$600 for married couples filing a joint income tax return.

Congress extended the stimulus payments to include veterans and Social Security recipients who ordinarily do not have to file a tax return. Because some veterans and their survivors don't make enough income to have to file a tax form, IRS officials are concerned that these individuals could miss out on money coming to them.

This year these veterans and survivors must submit a return to establish their eligibility. The tax return would have to reflect \$3,000 or more in qualifying income. For the purpose of the stimulus payments, qualifying income includes veterans' disability compensation, and pension or survivors' benefits received from the Department of Veterans Affairs in 2007. Those pension and disability payments, normally not taxable, would be shown in the return. Social security and railroad retirement Tier I payments, also not taxable, may be included in the filing.

Those who are not required to file a 2007 return but whose total qualifying income (including earned income, Social Security, certain Railroad Retirement and any of the veterans' benefits stated

above) would equal or exceed \$3,000, should file a simple tax return reporting the income and benefits to establish eligibility. Filers can use a Form 1040A and report the total of their benefits on Line 14a, or they can use a Form 1040 and report the total of their benefits on Line 20a. While both of these lines refer only to Social Security, filers should enter the total of all of their benefits received there, whether their only benefits were veterans' benefits or a combination of any of the three (Social Security, Railroad Retirement, or veterans'). If there is any earned income, it is reported on a separate line, Line 7, of either form.

The filer's name, Social Security number and signature (those entries for both if filing jointly), as well as address, filing status and whether or not the filer would like to receive payment via Direct Deposit, are the only other items needed on the tax return. No other lines need be filled in. A sample 1040A showing the minimal information needed can be viewed on the IRS Website at www.irs.gov and used as a model for completing the form.

Some active duty members are not normally required to file returns if their only income consists of excludable combat pay. They may be eligible for a stimulus payment, but they, too, must file returns this year to receive the payment.

The IRS emphasized that people with no filing requirement who turn in a tax return to qualify for the economic stimulus payment will not get a tax bill. People in this category will not owe money because of the stimulus payment. The stimulus payments are not taxable.

More information about these payments is available on the web at www.irs.gov. This includes fact sheets, Qs&As, and more: "Information on Stimulus Payments" at <http://www.irs.gov/irs/article/0,,id=177937,00.html>. The KCVA does not offer advice on federal income tax returns and only provides this information on the stimulus payments on behalf of the IRS as a courtesy to Kansas veterans.

Media Note: For more information, please contact George Webb or Brigette Hayes at 785-296-3976.