

# Section-by-Section Description of State ITIN Tax Filer “Recovery Rebate” Proposal With Comparisons to Federal CARES Act “Recovery Rebate”

Subject	Bill text	Comments
Definitions	<p>(a) When used in this section the following words or terms shall have the following meanings:—</p> <p>“Commissioner”, the commissioner of revenue.</p> <p>“Eligible taxpayer”, a taxpayer who filed a Massachusetts income tax return for tax year 2019 using an Individual Taxpayer Identification Number (“ITIN”) and who is ineligible for the recovery rebate in section 2201 of the federal CARES act of 2020 [cite]; provided that estate or trust shall not be considered an eligible taxpayer.</p> <p>“Qualifying child”, an individual listed as a dependent by the taxpayer on Schedule D1 of the Massachusetts income tax return for tax year 2019 who is a child of the taxpayer or a descendant of such a child, or a brother, sister, stepbrother, or stepsister of the taxpayer or a descendant of any such relative, who lived in the same home as the taxpayer for more than half of tax year 2019, who has not provided over one-half of the individual’s own support for the calendar year in which the taxable year of the taxpayer begins, and who has not filed a joint return (other than only for a claim of refund) with the individual’s spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins, and who had not attained the age of 17 years at the end of 2019.</p>	<p>Authorizes provision of benefit to state taxpayers (1) who are ineligible for federal benefit and (2) who filed a state tax return for tax year 2018 or 2019 using an ITIN number. Otherwise mirrors federal eligibility provisions.</p>
Amount of rebate	<p>(b) Notwithstanding any general or special law to the contrary, in the case of an eligible taxpayer, there shall be allowed as a refundable credit against the tax for tax year 2019 an amount equal to the sum of—</p> <p>(1) \$1,200 (\$2,400 in the case of an eligible taxpayer filing a joint return), plus</p> <p>(2) an amount equal to the product of \$500 multiplied by the number of qualifying children.</p>	<p>Amount of rebate mirrors federal law.</p>
Phase-out of rebate (means	<p>(c) The amount of the credit allowed by this section shall be reduced (but not below zero) by 5 percent of so much of the taxpayer’s</p>	<p>Phase out of rebate for higher-income</p>

testing)	adjusted gross income as exceeds— (1) \$150,000 in the case of a joint return, (2) \$112,500 in the case of a head of household, and (3) \$75,000 in the case of a taxpayer not described in paragraph (1) or (2).	taxpayers mirrors federal law.
Delivery of rebate to ITIN tax filers who used direct deposit	(d) The commissioner shall disburse refunds payable under this section electronically to any account to which the payee authorized, on or after January 1, 2018, the delivery of a refund of income tax. In the case of an individual who, at the time of any determination made pursuant to subsections (b) and (c) has not filed a tax return for tax year 2019, the commissioner shall disburse refunds payable under this section by substituting ‘2018’ for ‘2019’ in the definitions of “eligible taxpayer” and “qualifying child” and in subsection (b).	Mirrors federal delivery procedure – tax year 2019 info is used if a return has been filed; otherwise tax year 2018 info is used.
Notification to other ITIN tax filers who did not use direct deposit.	(e) For an eligible taxpayer to whom no electronic refund is disbursed pursuant to subsection (d), the commissioner shall notify such taxpayer by first class mail and provide information prominently listed on the website of the department of the availability of the refund provided for in this section together with instructions on the application process.	Requires DOR to notify ITIN tax filers who did not use direct deposit about the benefit.
DOR regulations	(f) The commissioner shall promulgate regulations to effectuate the purposes of this section	Directs DOR to issue regulations to implement this benefit.

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