**Legislation**

House Bill 4726 and Senate Bill 2659, both pending in the Joint Committee on Revenue

**The Problem:**

The CARES Act, the economic recovery act that Congress passed in March, provides a much-needed cash “recovery rebate” for most American taxpayers, but it excludes those families in which any family member lacks a Social Security Number. This exclusion harms mixed-status families, including families with U.S. citizen children, many of whom have filed tax returns using an ITIN (Individual Taxpayer Identification Number) rather than a Social Security Number. These families, many of whom are also ineligible for Unemployment Insurance, have filed tax returns using an ITIN have paid the same share of income taxes as those with Social Security Numbers and deserve the same assistance. Moreover, “recovery rebates” to immigrant workers and entrepreneurs, including those without Social Security Numbers, would, like payments to other taxpayers, benefit the Massachusetts economy as a whole.

**The Solution:**

Provide a state-funded benefit to families in Massachusetts who are ITIN taxpayers. This legislation directs the Department of Revenue to provide a cash rebate to Massachusetts residents who file state income tax returns using ITINs that is equivalent to the “recovery rebate” in the recently-enacted federal CARES act. The eligibility criteria for the credit and the amount of the credit (generally $2400 for joint filers, $1200 for individual filers and $500 per child) mirror the federal provisions. The legislation also adopts the method of electronic delivery in the federal law: the Department of Revenue will pay the rebate electronically for ITIN taxpayers who requested the Department to refund their tax returns by direct deposit in either of the last two years and will inform taxpayers who did not request electronic refunds by first class mail and by website information about the availability and application process for receiving the rebate.

**Cost**

The Massachusetts Budget and Policy Center has estimated that there are approximately 57,000 persons in ITIN taxpayer households in Massachusetts and that the maximum cost of this benefit would be $58 million in foregone revenue to the state on a one-time basis. The Coronoavirus Relief Fund, also part of the federal CARES act, provides states with funds to mitigate the damaging effects of Covid-19. A Treasury Department guidance has stated that states may use this Fund “to provide emergency financial assistance to individuals and families directly impacted by a loss of income due to the COVID-19 public health emergency.”

**For More Information**

Contact Kristen Tully at Massachusetts Law Reform Institute, ktully@mlri.org.

Prepared by Massachusetts Law Reform Institute, June 9, 2020

**Supporting Organizations**

1199SEIU

Action for Equity

AFT-MA

AILA NE

Allston Brighton CDC

American Civil Liberties Foundation of Massachusetts

American Friends Service Committee

Amplify Latinx

Asian American Resource Workshop

Asian Task Force Against Domestic Violence

Berkshire Immigrant Center

Bikes Not Bombs

Boilermakers Lodge 29

Boston Bar Association

Boston Jobs Coalition

Boston Metro Building Trades Council

Boston Plan for Excellence

Boston Tenant Coalition

Boys and Girls Club of Worcester

Brazilian Women's Group

Brazilian Worker Center

Bricklayers And Allied Crafts Local Union 3

Brockton Interfaith Community

Brockton Workers Alliance

Building Wreckers Local Union 1421

Central West Justice Center

Centro Presente

Chelsea Collaborative

Children's Health Watch

Chinese Progressive Association

Chinese Progressive Political Action

Christian Community Church of Worcester

City Life

City Manager Louis A. DePasquale, City of Cambridge

City Manager Thomas G. Ambrosino, City of Chelsea

Coalition For Social Justice

Community Action Pioneer Valley

Community Action, Inc.

Community Economic Development Center

Community Labor United.

Compass Working Capital

Coronavirus Equity Task Force

De Novo

Edward Street Child Services

Elevator Constructors Local Union 4

Essex County Community Organization (ECCO)

Greater Boston Labor Council

Greater Boston Legal Services

Greater Four Corners Action Coalition

HarborCOV

Harvard Immigration and Refugee Clinical Program

Heat and Frost Insulators Local Union 6

Hyde Square Task Force

IBA – Inquilinos Boricuas en Acción

Immigrants’ Assistance Center

International Association of Machinists District 15

Jewish Alliance for Law and Social Action (JALSA)

Jewish Labor Committee

Jobs Action Network

Justice at Work

Justice Center of Southeast Massachusetts

La Comunidad Inc.

Laborers’ Local Union 151

Laborers’ Local Union 22

Laborers’ Local Union 223

Law Office of Anne Glennon

Lawrence CommunityWorks

Lawyers for Civil Rights

LifePath

LivableStreets Alliance

Louis D. Brown Peace Institute

Mass Alliance of HUD Tenants

Mass Communities Action Network

Massachusetts Affordable Housing Alliance

Massachusetts AFL-CIO

Massachusetts Association of Community Development Corporations

Massachusetts Budget and Policy Center

Massachusetts Immigrant and Refugee Advocacy Coalition

Massachusetts Jobs with Justice

Massachusetts Law Reform Institute

Massachusetts Public Health Association

Massachusetts Senior Action Council

Massachusetts Teachers Association

Massachusetts Voter Table

MassCOSH

Matahari Women Workers' Center

Mayans without Borders

Mayor Martin J. Walsh, City of Boston

Mayor Yvonne M. Spicer, City of Framingham

Mayor Alex B. Morse, City of Holyoke

Mayor Daniel Rivera, City of Lawrence

Mayor Thomas M. McGee, City of Lynn

Mayor Ruthanne Fuller, City of Newton

Mayor David J. Narkewicz, City of Northampton

Mayor Kimberley Driscoll, City of Salem

Mayor Joseph Curtatone, City of Somerville

Metropolitan Area Planning Council

MetroWest Legal Services

Metrowest Worker Center - Casa

MissionSAFE

MLPB

Muslim Community Link of worcester

New England United 4 Justice

Operating Engineers Local Union 4

Painters and Allied Trades DC 35

Pipefitters Local Union 537

Plasters & Cement Masons Local Union 534

Plumbers Local Union 12

Political Asylum/Immigration Representation

Progressive Massachusetts

REACH

Reclaim Roxbury

Rian Immigrant Center

Rock of Salvation

Roofers Local Union 33

SEIU 32BJ

SEIU 888

SEIU Local 509

Shalom Neighborhood Network Center

Sheet Metal Workers Local Union 17

Sociedad Latina

Somerville Community Corporation

Springfield No One Leaves

Sprinkler Fitters Local Union 550

The Care Institute

Town Manager Paul Bockelman, Town of Amherst

Town Manager Adam W. Chapdelaine, Town of Arlington

Town Manager Austin Faison, Town of Winthrop

Tree House Music Education Program

Tunnel Workers Local Union 88

UAW MA CAP

UFCW Local 1445

UFCW Local 1459

UFCW Local 328

UFCW Local 791

Unitarian Universalist Mass Action

UNITE HERE Local 26

UNITE HERE New England Joint Board

United Interfaith Action

Worcester Interfaith

Zumix