



## Economic Stimulus Payments: Information for Recipients of Veterans' Benefits

This section is for people receiving benefits from the Department of Veterans Affairs for disability, pension or survivors' benefits. The IRS and Treasury will be working closely with the Department of Veterans Affairs along with beneficiary organizations to ensure that all eligible individuals know what to do to receive a stimulus payment.

Normally, certain veterans' payments are not subject to income tax. However, the economic stimulus law passed in February contains a special provision allowing recipients of certain veterans' benefits to count those benefits toward the qualifying income requirement of \$3,000 and thereby qualify for the stimulus payment.

For purposes of meeting the qualifying income requirement, the following benefits need to be reported in any combination on Line 14a of the Form 1040A or Line 20a of Form 1040:

- The sum of veterans' disability compensation, pension or survivors' benefits received from the Department of Veterans Affairs in 2007. People are allowed to estimate their annual benefit by taking their monthly annual veterans' benefit, multiplying it by the number of months during the year they received benefits, and entering the number on Line 20a of Form 1040 or Line 14a of the Form 1040A.
- [Sample Form 1040A](#), example only

People should note that Line 14a of the Form 1040A and Line 20a of Form 1040 are designated for Social Security. However, these lines should also be used to include any veterans' benefits.

### Basic Eligibility Requirements

- Individuals or families must have at least \$3,000 in qualifying income, which can be income from or in combination with Social Security benefits, Veterans Affairs benefits, Railroad Retirement benefits and earned income.
- People must have valid Social Security Numbers.
- People cannot be claimed as dependents or eligible to be claimed as dependents on another's tax return.
- People must file a 2007 tax form, i.e. Form 1040A.

### For Those Who Have Already Filed

Some recipients of the benefits described above may have filed a 2007 tax return reporting at least \$3,000 in qualifying income. They do not need to do anything else. They will begin receiving their stimulus payments in early May.

Others may need to amend a previously filed tax return to include benefits to reach the \$3,000 qualifying income level. Adding these benefits on an amended tax return will not increase an individual's tax liability but will establish eligibility for the stimulus payment. Taxpayers can use IRS [Form 1040X](#) to amend a tax return in order to qualify for the stimulus payment.

### Free Tax Help Available

Individuals who need to file a return this year to receive a stimulus payment may be able to take advantage of thousands of free tax preparation sites nationwide for low-income and elderly taxpayers.

The Volunteer Income Tax Assistance (VITA) program provides help to low- and moderate-income taxpayers. Call 1-800-906-9887 to locate the nearest VITA site.

The Tax Counseling for the Elderly (TCE) Program provides free tax help to people age 60 and older. As part of the IRS-sponsored TCE Program, AARP offers the Tax-Aide counseling program at more than 7,000 sites nationwide during the filing season. To find an AARP Tax Aide site call 1-888-227-7669 or visit the AARP Web site.

**For more information, see:**

- [Basic Information on Economic Stimulus Payments](#)
- [Frequently Asked Questions](#)
- [FS-2008-16](#), Stimulus Payments: Instructions for Low-Income Workers and Recipients of Social Security and Certain Veterans' Benefits.
- [Flyer for Veterans \(PDF\)](#)

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