

# Learn more about the CARES Act, Families First Act, and other legislation for COVID-19 relief



The recently passed CARES Act, Families First Coronavirus Response Act, and other tax relief legislation authorizes a range of measures designed to support those affected by COVID-19. We've put together a summary of the key provisions of these relief efforts to help you understand how these new policies may support your clients and your business.

Don't miss this opportunity to learn more about the CARES Act and its potential planning opportunities.

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## How the CARES Act may impact your clients and your business

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On March 18, 2020, Congress passed the Families First Coronavirus Response Act (Families First Act). On March 20, 2020, the IRS issued Notice 2020-15, providing a variety of clarifications. These actions were followed by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which was signed on March 27, 2020. The first phase of the legislative response to the coronavirus pandemic, which a number of some of the most far-reaching provisions and the deadline extensions—and what they might mean for you and your clients.

**Provisions that affect individuals**

**Additional measures to help development assistance**  
The statute due date for filing income tax returns (i.e., Form 1041) is extended from April 15, 2020 to June 15, 2020. In addition, taxpayers who have not yet filed their 2019 tax returns and are required to file by July 15, 2020, may refer to the IRS' online page for more information on the 2019 deadline extension.

**Retiree tax relief**  
Retiree income tax relief and provisions are provided for the first time for 2020. The IRS will continue to monitor developments that are likely to be announced in the future.

**Retiree relief for individuals with net**  
A relief was authorized for qualified individuals. The relief amount is equal to \$10,000 (\$20,000 for married filing jointly taxpayers) to address individuals who have working relief payments can receive from their employer by \$100 for each child under the age of 17.

**Additional relief for individuals with net**  
The relief amount begins to phase out for individuals whose 2019 adjusted gross income exceeds \$100,000 for married filing jointly taxpayers. The phaseout begins when adjusted gross income exceeds \$120,000 for single taxpayers. The relief amount is \$10,000. However, individuals who are 65 or older are eligible for an additional \$5,000. The relief is also available to individuals who are 65 or older and are dependent on a primary care provider to receive the relief. The law also includes an estate or trust from receiving the relief.

**Retiree tax relief**  
Qualified individuals within income thresholds will receive a rebate. Clients should be aware of potential issues. The IRS will issue a letter directing or award an email alerting to client to verify information in order to receive rebate payment. Clients should follow the IRS instructions located here for more information on how the IRS will process rebate payments and what steps, if any, clients may need to take in order to receive the rebates.

**Qualified Retirement Plan (QRP) distributions available for impacted clients**  
Individuals who are impacted by COVID-19 or those with a dependent or dependent who was diagnosed, as well as those who have a dependent who is a dependent, through, death, or reduction of work hours because of the coronavirus, can withdraw up to \$10,000 from IRAs or other qualified retirement plans without the standard penalty or taxes. These distributions are not subject to the 10% early distribution penalty, nor are qualified plan distributions for these purposes subject to the 10% early distribution penalty. The provision.

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