

New COVID-19 Economic Relief: What You Need to Know

Today, December 22, 2020, Congress approved a \$900 billion, new COVID-19 relief package that will help individuals with disabilities, families and small businesses nationwide. From a quick review of the details, here are 10 key provisions:

1. New Economic Stimulus Payments

There will be new economic stimulus checks of up to \$600 per person. The size of the benefit will be reduced for people who earned more than \$75,000 in 2019 and will not be made to individuals who earned more than \$87,000. The stimulus check will provide \$600 per adult and child. For example, a family of four will receive \$2,400, up to a certain income. If you received an economic impact payment earlier this year under the CARES Act, this new payment will automatically be deposited in your bank account that was used previously. Adult dependents are not eligible.

2. Unemployment Benefits

Congress will extend federal unemployment benefits up to \$300 per week, which could start as early as December 27th and continue through mid-March. Self-employed and gig workers will also receive extended assistance. This is an 11-week extension of unemployment benefits. This federal benefit is on top of individual state unemployment insurance benefit amounts that vary by state.

3. Charitable Contributions

For 2020, taxpayers who use the standard deduction, and don't itemize, will be able to deduct up to \$300 for charitable contributions. For 2021, taxpayers filing jointly will be able to take the standard deduction and \$600 in charitable giving when calculating their taxable income. Individual taxpayers will be able to deduct \$300 in charitable giving in 2021.

4. Flexible Savings Accounts (FSA)

If you have a flexible savings account with your employer, any balance you have can be rolled over from 2020 to be used in 2021. Under current law, you would forfeit the balance. Any balances left in 2021 will be allowed to roll over to 2022.

5. Rental Assistance

There is an extension of the moratorium on evictions for renters until January 31st, as well as a new \$25 billion to help families pay their rent. More details are needed on the distribution of these new funds.

6. Broadband Access

There is a new seven billion dollars in funding to increase access to broadband internet. More details are needed on how this benefit will reach students and families in need, including unemployed workers.

7. Education

There is an additional \$82 billion in funding for schools and universities to assist with reopening. More details are needed on how these funds will be distributed. A portion of the funds (\$2.75 billion) are to help private schools K-12.

8. Payroll Protection Program Loans

There is a new round of forgivable loans for small businesses adversely impacted by the COVID-19 pandemic. The forgivable loans are again available to nonprofit organizations.

9. Medical Bills: No Surprise Billing

This new mandate is intended to end the practice of “surprise” medical bills for hospitalization, surgery and other medical services that were beyond what was anticipated as the cost. Three days before any scheduled procedure, patients will be entitled to a “true and honest cost estimate.” Billing disputes will be subject to arbitration.

10. Vaccines

There is an additional \$68 billion to purchase and distribute COVID-19 vaccines and help states conduct testing. The vaccine is to be made available at no cost to anyone needing it.

As more details are learned about the relief bill, National Disability Institute (NDI) will continue to summarize them for you. Visit the [Financial Resilience Center](#) for more COVID-19-related financial resources and information.