



IRS Statement - American Rescue Plan Act of 2021

March 12, 2021

The IRS is reviewing implementation plans for the newly enacted American Rescue Plan Act of 2021. Additional information about a new round of Economic Impact Payments, the expanded Child Tax Credit, including advance payments of the Child Tax Credit, and other tax provisions will be made available as soon as possible on IRS.gov. The IRS strongly urges taxpayers to not file amended returns related to the new legislative provisions or take other unnecessary steps at this time.

The IRS will provide taxpayers with additional guidance on those provisions that could affect their 2020 tax return, including the retroactive provision that makes the first \$10,200 of 2020 unemployment benefits nontaxable. For those who haven't filed yet, the IRS will provide a worksheet for paper filers and work with software industry to update current tax software so that taxpayers can determine how to report their unemployment income on their 2020 tax return. For those who received unemployment benefits last year and have already filed their 2020 tax return, the IRS emphasizes they should not file an amended return at this time, until the IRS issues additional guidance.

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