

News Release

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Franchot Announces Processing of RELIEF Act Payments Has Begun

Within days, 98 percent of individual stimulus payments will be processed

**An earlier version of this news release incorrectly stated the maximum income threshold for joint filers who are eligible to waive state income taxes on Unemployment Insurance income received during 2020 and 2021, under the RELIEF Act. The correct limits are under \$75,000 for single filers and under \$100,000 for joint filers.

ANNAPOLIS, Md. (February 16, 2021) - Comptroller Peter Franchot today joined with key agency personnel to outline how the Comptroller's Office will process stimulus payments included in the RELIEF Act of 2021.

Comptroller Franchot's office will issue more than \$200 million in payments over the next several weeks to help struggling Maryland taxpayers, unemployment insurance claimants, small businesses and nonprofit organizations affected by the COVID-19 pandemic.

"For 14 years during my tenure as Comptroller, our team has annually processed three million tax returns in an average of 2.5 business days and we will process these stimulus payments with the same outstanding level of customer service and efficiency that Maryland taxpayers have come to know and deserve from our office," Comptroller Franchot said. "Our agency has spent several weeks diligently preparing for the passage of the RELIEF Act and this morning, the first batch of state stimulus payments for our most vulnerable Marylanders are on their way to bank accounts."

Taxpayers can go to www.MarylandTaxes.gov/ReliefAct to see if they qualify and check the status of their payments. They can also call 1-833-345-0787 or email ReliefAct@marylandtaxes.gov for more assistance. Those who qualify for a

RELIEF Act stimulus payment will be automatically processed either via direct deposit or paper checks unless their address on file is not verifiable with the U.S. Postal Service.

Under the RELIEF Act, which was passed by the General Assembly last week and signed into law Monday by Governor Larry Hogan, 422,531 recipients are eligible for one-time stimulus payments of \$300 or \$500. Taxpayers who claimed the Earned Income Tax Credit in Tax Year 2019 and reside in or have permanent residence in Maryland as of February 12 are eligible for payments.

Specifically, 266,985 electronic payments to individuals with a value of \$113.6 million, as well as 148,972 paper checks with a value of \$61.7 million, are being processed, beginning today.

In total, 98 percent of RELIEF Act stimulus payments to individuals will be processed by Friday, Feb. 19.

Also, 32,000 Marylanders awaiting unemployment insurance adjudication will be sent \$1,000 grants once the state Department of Labor sends the Comptroller's Office a list of recipients.

"While the amount of these payments is not nearly as much as I urged the Governor to include and leaves out tens of thousands of Marylanders, I commend the General Assembly for improving the bill and pledging to adopt separate legislation that will make eligible for stimulus funds those who use an Individual Taxpayer Identification Number, or ITIN, to file taxes," Comptroller Franchot said.

Additionally, money was allocated for a variety of small business and community support organizations. The Comptroller's General Accounting Division will disburse funds that are issued from state agencies to grant and loan awardees.

Electronic payments are being made via bank account information on file from the recipient's 2019 Maryland State Income Tax Return. Those receiving mailed paper checks either did not elect the direct deposit option when filing their 2019 taxes, or the direct deposit information used at that time is no longer accurate. Additionally, recipients who contact the Comptroller's Office to update their unverified mailing address on file will receive paper checks. There are approximately 6,000 recipients, or 1.5 percent of those eligible, for whom the agency does not have verified address information. Those individuals were previously contacted and asked to call 1-833-345-0787 or email ReliefAct@marylandtaxes.gov to provide updated information so the payments can be issued.

For several weeks, agency leadership and key personnel throughout the Comptroller's Office have been preparing for the bill's eventual adoption, tracking legislation, communicating with banking representatives, building a secure web portal, obtaining additional checks and envelopes, and otherwise developing a plan

to ensure payments would be processed rapidly and efficiently.

The passage of the RELIEF Act last Friday also coincided with the start of this year's tax filing season. Tax season began smoothly and more than 20,000 returns have already been processed with most taxpayers getting refunds in less than three business days. More than 2,000 phone calls from taxpayers were answered on the opening day of the tax season.

The RELIEF Act also includes waiving state income taxes on Unemployment Insurance income received during 2020 and 2021 for single filers who report under \$75,000 in income and joint filers who report under \$100,000. Taxpayers who have already filed their 2020 State tax returns can file an amended return for a full refund of Maryland state income taxes on those UI benefits.

Additional information about the RELIEF Act and the Comptroller's role, including an assortment of Frequently Asked Questions, can be found at www.MarylandTaxes.gov/ReliefAct.

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