



130 Million

That's the number of Americans that are expected to receive tax rebates from the recently passed \$170 billion economic stimulus package. "What's in it for me?" you might ask, well here are some pertinent facts and figures that may help answer most of your questions.

How much will I get?

Most single taxpayers will be eligible for a \$600 rebate, and married couples who file jointly will be eligible for \$1,200. Anyone who gets a rebate of any size will get an additional \$300 for each child eligible for the child tax credit in 2008. To qualify, the child must be younger than 17 on Dec. 31, 2008. There's no limit on the number of dependents eligible for the rebate, so a large family could end up with a much larger check. A married couple with six children, for example, would be eligible for a rebate of up to \$3,000.

So when will I get a check?

Probably not until late spring or early summer. Treasury Secretary Henry Paulson says the IRS will start working on the rebates right away, but taxpayers won't start receiving checks for two to four months. The IRS needs to finish processing 2007 tax returns before it can start delivering rebate checks. Taxpayers who want their money as soon as possible should be sure to file their tax returns by the April 15 deadline. Because the rebate will be based on 2007 tax returns, taxpayers who file for an extension will have to wait longer for their money.

Are there any income restrictions?

Yes. The rebates will phase out for single taxpayers with adjusted gross income of more than \$75,000 and married taxpayers with AGI of more than \$150,000. The phase-out will be 5% of the amount of income that exceeds the threshold. If, for example, you're married and your 2007 AGI is \$160,000, your rebate would be \$700. The point at which the rebate gets phased out entirely is \$87,000 for single filers and \$174,000 for joint filers.

Do I have to pay the rebate back?

No. And here's why. Your rebate is a one-time tax cut - an advance on a credit you'll receive on your 2008 return. It's based on your 2007 income initially. If it turns out that your 2008 income and number of children would have qualified you for a larger rebate than the one you received, you'll be sent the difference. If it turns out your 2008 income was lower than in 2007 and you should have received a lower rebate, you get to keep the difference.

What about people who don't owe income tax?

Even if you didn't owe any tax, you're still eligible for a rebate of \$300, or \$600 for married couples, as long as you had at least \$3,000 in earned income, Social Security benefits, veteran's disability payments or a combination. You may be eligible for a larger rebate if you have dependent children. Suppose, for example, that you worked part of the year in 2007 and earned \$9,000. And say you also have custody of two children. Though you owe no income tax for 2007, you would be eligible for \$300 for yourself and \$300 for each child, for a total rebate of \$900.

For more information, please visit the IRS website by clicking [here](#).

February 2008



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Market Watch

	2/13/2008	YTD
DJIA	12,552	-5.37%
S&P 500	1,367	-6.90%
NASDAQ	2,373	-10.53%

New Tax Perks

With fewer changes than in 2006, here are five tax law [changes](#) to consider as you prepare your 2007 return.

1040 Central

For the do-it-yourselfer, here's a list of helpful tools and [resources](#) for preparing your tax return.

Will AMT get me this year?

Whether you pay the AMT depends on which tax is higher — your regular taxes or your tax due under the AMT. In either case, the federal government wins by taking the bigger bite out of your income. The failure of Congress to index the AMT for inflation also has meant that it claims more taxpayers each year. The following [article](#) explains it in more detail, however consulting with a CPA is your best bet.