

As part of the COVID-19 Relief Act enacted [recently], Congress increased by \$600 the amount of weekly Unemployment Insurance (UI) payments that laid off and furloughed workers can receive through July 31, 2020. The CARES Act also extends the number of weeks of eligibility for long term unemployed people by 13 weeks to the current state term (normally 26 weeks) to a maximum of 39 weeks, temporarily eliminates work-search requirements and minimum work history (under normal rules, only those who have been employed for a year are eligible), and expands the categories of eligible workers to include self-employed and gig workers, in addition to traditional employees.

Generally, if you take a leave or a reduction in hours as a result of the downturn, you will be eligible for Unemployment Insurance benefits. However, the scale and scope of these benefits will vary depending on the state where you are based. For more information about the changes the CARES Act made to the unemployment insurance, we recommend [this guide](#) put together by our friends at the National Employment Law Project.

Visit [this website](#) to look up eligibility requirements in your state. Unemployment benefits will be less than what your salary was, but these funds will be an important part of your new income.

## QUESTIONS & ANSWERS ABOUT THE COVID-19 UI BENEFITS

### Am I eligible for expanded unemployment benefits?

You are eligible for expanded unemployment benefits (with a valid Social Security Number) if you meet one of the following criteria:

- You cannot reach your place of work due to a quarantine order (by a healthcare provider or otherwise) or your place of employment is closed as a result of COVID-19.
- You or a member of your household have been diagnosed with COVID-19 or are experiencing symptoms and seeking a medical diagnosis.
- You are providing care for a family member or household member who has been diagnosed.
- You are caring for a child that is without other care or out of school as a direct result of COVID-19.
- You were scheduled to begin your employment and either cannot reach the job or do not have a job as a direct result of COVID-19.

### Do I receive enhanced benefits if I qualify for the COVID-19 UI benefit?

All individuals receiving UI, including those receiving UI prior to COVID-19, will receive up to \$600 per week in additional benefits over and above the regular State UI weekly amount through July 31, 2020. The level of benefits an individual receives varies by state. The Act also extends each state's UI benefit coverage term by 13 weeks, up to a maximum of 39 weeks.

### Do I qualify for COVID-19 benefits if I took a voluntary leave or furlough?

Unemployment Insurance typically does not cover employees who left their jobs voluntarily **unless this leave was in response to the COVID-19 downturn**. Some States may deny benefits because the furlough was voluntary, which is why it is important to have a letter stating the leave/furlough is due to COVID-19. It is crucial when applying for UI benefits that you state as often as you can that you are on a furlough "because of COVID-19" and the related reduction in air travel.

### Is there a waiting period for receiving UI benefits after I apply?

No. The CARES Act waived the standard one-week waiting period for those eligible for the enhanced COVID-19 benefits.

**Am I eligible for COVID-19 UI benefits if I am receiving partial UI benefits because of reduced work hours?**

Yes. Some States allow employees to receive “partial” UI benefits because they have had their work hours reduced but are still receiving some pay from their employer. The COVID-19 enhanced benefits apply to even those who are receiving partial UI benefits.

**Do I have to pay back any UI benefits I received under the COVID-19 relief plan?**

No. You do not need to pay back UI benefits.

**If a member of my family is covered by Medicaid or CHIP, will the enhanced UI benefits count as part of my income for eligibility under these programs?**

No, the UI benefit will not be included in your income for this purpose.

**Am I eligible for COVID-19 UI benefits if I am receiving paid sick leave or other paid leave?**

If you are receiving paid sick leave or other forms of paid leave you will likely not be eligible for the COVID-19 UI benefits. However, you may qualify for a partial benefit during this time if your leave pay is less than your usual compensation and your state has a program that allows for partial UI benefits.

**Am I eligible for the one-time cash payment in the CARES Act?**

Individual tax filers with adjusted gross income up to \$75,000 will receive the full \$1,200 payment. Married couples filing joint returns up to \$150,000 will receive the full \$2,400 for married couples. Parents also receive \$500 for each qualifying child.

For filers with income above those amounts, the payment amount is reduced and then phased out for individuals whose income exceeds \$99,000 (or \$198,000 for joint filers with no children).

The IRS will use information on your 2018 or 2019 tax return to determine whether you are entitled to an “economic income payment” and the amount you should receive. If you didn’t file a tax return for 2019, the agency will use your 2018 return.

Payments will be automatically made to every eligible person. If you accepted a tax refund by direct deposit, the government will send the funds directly to you the same way.

Here's an article you might also find helpful: [How to get the coronavirus unemployment benefits, explained.](#)

**Q: How much will I receive?**

It depends on your state.

Benefits will be expanded in an attempt to replace the average worker’s paycheck. The average worker earns about \$1,000 a week, and unemployment benefits often replace roughly 40 to 45 percent of that. The additional federal benefit will pay an extra amount to fill the gap.

Now, eligible workers will get an extra \$600 per week on top of their state benefit. But some states are more generous than others. Recent reports show the maximum weekly benefit in Alabama is \$275, but it’s \$450 in California and \$713 in New Jersey.

So let's say a worker was making \$1,100 per week in New York; she'd be eligible for the maximum state unemployment benefit of \$504 per week. Under the new expansion, she gets an additional \$600 of federal pandemic unemployment compensation, for a total of \$1,104, essentially replacing her original paycheck.

States have the option of providing the entire amount in one payment, or sending the extra portion separately. But it must all be done on the same weekly basis.

**Q: Do I have to apply for the extra \$600 separately?**

No. Eligibility depends on whether you qualify for state unemployment benefits.

**Q: Will I get the full \$600?**

If you're eligible for at least \$1 of state unemployment compensation, you get the full \$600, according to the Labor Department.

**Q: I had to quit my job as a direct result of coronavirus. Would I be eligible to apply for benefits?**

It depends. Let's say your employer didn't lay you off but you had to quit because of a quarantine recommended by a health care provider, or because your child's day care closed and you're the primary caregiver. Situations like that are covered.

But this provision wasn't intended to cover people who quit (or want to quit) because they fear that continuing to work puts them at risk of contracting coronavirus, according to congressional aides.

**Q: Who is not covered by the expansion of unemployment?**

Workers who are able to work from home, and those receiving paid sick leave or paid family leave are not covered.

**Q: I'm already receiving unemployment benefits. Will I receive any help?**

Yes. Even if you're already receiving unemployment benefits for reasons unrelated to the coronavirus, your state-level benefits will still be extended by 13 weeks. You will also receive the extra \$600 weekly benefit from the federal government through July 31, unless further extended.

**Q: My unemployment recently ran out—could I sign up again?**

Yes. If you've exhausted your benefits, eligible workers can generally reapply. But how much you get and for how long depends on the state where you worked. Everyone gets at least another 13 weeks, along with the extra \$600 payment through July 31.

**Q: Are any unemployment benefits retroactive?**

Maybe. If you are newly eligible for benefits, you may be able to claim state-level benefits retroactively, back to Jan. 27. But it will ultimately be determined by your state, which will consider the date that you became unemployed and any extenuating circumstances that prevented you from filing earlier, according to a representative for the Department of Labor.

People who are already receiving unemployment will not get any retroactive benefits. If your benefits run out, you'll be eligible for the added 13 weeks of state-level benefits (as long as you continue to meet the eligibility criteria).

The extra \$600 payment being paid by the federal government is also not retroactive.

**Q: How long will I need to wait for benefits?**

States have an incentive to waive the one-week waiting period, but it's unclear how long it will take to process claims — especially with state offices overwhelmed by the recent flood of applicants.

The arrival of the extra \$600 depends on when your state signed an agreement with the Department of Labor. The week ending April 4 or 5 (depending how your state lays out its calendar) is the first week for which unemployed workers can claim the new federal benefit.

But that doesn't necessarily mean benefits will flow right away. States that are unable to immediately pay the federal pandemic benefit after they sign agreements will pay them retroactively for the weeks you're entitled to receive them.

**Q: Are benefits taxable?**

Yes. Benefits are subject to federal income taxes and most state income taxes, according to the Department of Labor. The same goes for the \$600. You should be able to elect to have taxes withheld.

Caution: if you do not have taxes withheld, the total of all benefits received must be reported as income on that year's federal income tax return and your state return if those amounts are taxable income in your state. That income will be reported to IRS and failure to report this income is a trigger for audit of your return.

Child support obligations can also be deducted from your benefits.