Exclusion of Many Immigrants and Their Children From Federal Recovery Rebates Makes Tax System More Unjust

Two Children Whose Mother Works Part-Time at California’s Minimum Wage in 2019

Federal COVID-19 response efforts include measures that will help people struggling financially. These include cash payments called “recovery rebates” that will help many pay for basic needs.

Millions of Californians are excluded from federal recovery rebates. To qualify for the rebates, generally all family members must have SSNs. Immigrants who file taxes with ITINs – as well as their children, many of whom are US citizens – will be denied these payments.

This exclusion will make our inequitable tax system more unjust for many immigrants and their children. A parent who is a part-time minimum wage worker with a SSN could see her income rise by 89% after filing taxes, while an identical worker with an ITIN would see just a 12% increase.

California could help immigrants shut out of federal recovery efforts by creating a state-provided recovery rebate for ITIN filers as well as a wage replacement fund for immigrants who don’t qualify for unemployment insurance.

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