

# EIP3 - Rebate Recovery Credit FAQ for TY21

**What will happen if an eligible taxpayer mistakenly doesn't claim the credit by entering \$0 for the RRC or leaves line 30 of Form 1040 blank? Will the IRS correct the credit during processing?**

No. The IRS will not calculate and correct the entry if \$0 is entered or line 30 is left blank. Instead, the IRS will treat an entry of \$0 or blank as a taxpayer decision not to claim the RRC. An amendment must be prepared to claim the RRC. See [Topic H: Correcting issues after the 2021 tax return is filed](#) for more information.

**What should a taxpayer do if they mistakenly claimed less RRC than they are entitled to on their 2021 tax return or entered an incorrect amount for the RRC?**

Do not file an amended tax return if you entered an incorrect amount for the RRC on your tax return. If you entered an amount other than \$0 on line 30 but made a mistake in calculating the amount, the IRS will calculate the correct amount, make the correction to the tax return, and continue processing the return. If a correction is needed, there may be a delay in processing the return and the IRS will send a notice explaining any change made.

**If a taxpayer wasn't eligible for EIP3, are they also not eligible to claim the 2021 Recovery Rebate Credit?**

Not necessarily. If they were not eligible for the full EIP3, they may still be eligible to claim the 2021 RRC if their 2021 tax return information qualifies them. EIP3 payments were sent out based on 2019 or 2020 tax information, but the RRC can be claimed based on actual 2021 tax return.

**What are the factors that may affect eligibility for the RRC?**

Some people may have received less than the full EIP3 because their AGI was too high. Lower income in 2021 could make them eligible to claim the RRC. If an individual became the taxpayer's dependent in 2021, including by birth or adoption, they may be eligible to claim the RRC for the dependent.

**What if the taxpayer was a dependent in 2019 or 2020 but is no longer a dependent? Can they claim the RRC?**

Yes. Individuals who were claimed or could be claimed as a dependent on someone else's tax return for 2019 or 2020 may now be eligible if they can't be claimed as a dependent on someone else's tax return for 2021.

**If a taxpayer did not have a Social Security number or ITIN in 2021 but is issued one by the due date of their 2021 tax return (including an extension if the extension was requested by the due date), are they eligible to claim the RRC?**

Yes. The taxpayer can claim the RRC when they file their 2021 tax return.

**If a taxpayer received EIP3 and, based on their 2021 tax return, is no longer eligible, do they need to pay that money back?**

No, the law doesn't require taxpayers to pay back all or part of any EIP3 received based on the information reported on the 2021 tax return

**What should a taxpayer do if they received a joint payment with a spouse in 2021, but is filing a separate return for 2021?**

If the taxpayer received a joint EIP3 payment with their spouse, each spouse recognizes and enters half of the total amount received on their 2021 tax return.