



# RELIEF Act Unemployment Assistance FAQs

The RELIEF Act provides assistance to Marylanders who received unemployment insurance (UI) benefits or whose UI claims have been in adjudication for at least 30 days.

For Marylanders who received or currently receive UI benefits, the RELIEF Act provides an income tax subtraction

for Tax Years 2020 and 2021.

In addition, the RELIEF Act provides \$1,000 Unemployment Grants to 32,000 recipients. Questions about the Unemployment Grant should be directed to the Maryland Department of Labor, the agency that determines who will receive the grant.

## Unemployment Grants

### **Q: What is the RELIEF Act Unemployment Grant?**

**A:** The Act provides \$1,000 one-time grant payments to certain individuals whose unemployment claims have been in adjudication for 30 days.

### **Q: Who will receive the Unemployment Grants?**

**A:** The Department of Labor determines the recipients of the Unemployment Grants and will submit to the Comptroller a list of individuals who will receive payment.

### **Q: If I am selected, when will I get my Unemployment Grant?**

**A:** The RELIEF Act requires the Secretary of Labor to send the Comptroller a list of selected recipients on the following dates for payment:

**March 3, 2021; April 5, 2021; May 5, 2021; June 3, 2021; July 6, 2021**

If you are selected by the Maryland Department of Labor to be a recipient of the Unemployment Grant, the Secretary of Labor will determine when your name will be submitted to the Comptroller's office for payment. The Comptroller will process the Maryland Department of Labor's authorization for payments as soon as they are received.

## **Q: If I am selected for the Unemployment Grant , how will I get my payment?**

**A:** If the Maryland Department of Labor selects you for the grant, your name and address will be provided to the Comptroller's office. A paper check will be mailed directly to you without delay. To avoid delays in accessing your funds, it is recommended that you present the payment to your personal financial institution. If you do not have a personal relationship with a financial institution, you may also visit your local M&T Bank to receive your funds. M&T Bank will not charge any fees to cash the check. Financial institutions may require photo identification. If you have difficulties with the check cashing process, please contact [RELIEFAct@marylandtaxes.gov](mailto:RELIEFAct@marylandtaxes.gov).

## **Q: Is my Unemployment Grant taxable or subject to garnishment?**

**A:** If you receive an Unemployment Grant, your payment will not be considered taxable income by the state. Your grant may be considered taxable income by the Internal Revenue Service. Unemployment grants are not subject to tax offsets. However, unemployment grants are subject to garnishment, including for non-payment of child support.

## **Unemployment Insurance Income Tax Subtraction**

### **Q: What is the Unemployment Insurance Benefits Income Tax Subtraction?**

**A:** The RELIEF Act provides a State Income Tax Exemption for Unemployment Insurance (UI) Benefits for qualifying filers. UI payments are currently subject to federal and state income taxation. Beginning with Tax Year 2020 and including Tax Year 2021, the Act exempts from the state income tax the UI benefits received by an individual earning less than \$75,000, and couples filing jointly or individual heads of households earning less than \$100,000.

### **Q: How can I claim the subtraction?**

**A:** You may claim the subtraction on your 2020 and 2021 Maryland State Tax Return.

### **Q: What if I have more questions?**

**A:** For questions about the Unemployment Grants, please contact the Maryland Department of Labor. For questions about the Unemployment Insurance Income Tax Subtraction, please contact the Comptroller's Taxpayer Services Division at [taxhelp@marylandtaxes.gov](mailto:taxhelp@marylandtaxes.gov) or via phone at 1-833-345-0787.