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Democracy Dies in Darkness

Stimulus prepaid debit card is causing a lot of confusion

Many Americans thought the cards were junk mail or scams — and some arrived with names mixed up

By **Michelle Singletary**

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The good news is that many people have the right amount of skepticism about receiving unsolicited mail.

The bad news is that some folks may have trashed a mailing that contained their stimulus payment thinking it was just a scam or junk mail.

But what they received was a prepaid debit card loaded with the economic impact payments to individuals made available under the \$2 trillion Coronavirus Aid, Relief, and Economic Security (Cares) Act.

Adding to the confusion, some couples say their cards came with their names mixed up.

“My wife and I don’t have the same last name, and our joint stimulus card arrived addressed to, and in, her first name, my last name,” one reader wrote. “I don’t understand why this is happening at all, since obviously the Treasury knows our income and names from how we filed our taxes.”

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Treasury did not respond to questions about the name mix-ups.

Here are answers to some common questions about the economic impact payment (EIP) card.

Q: How do I use the card?

The cards, issued by the Treasury's financial agent, MetaBank, were sent to 4 million Americans in an effort to speed up the process of getting out the payments. The delivery caught a lot of people by surprise, resulting in skepticism about the legitimacy of the payment.

The prepaid debit cards can be used to make purchases online and at any retail location where Visa is accepted. Recipients can also receive cash from ATMs and transfer funds to their personal bank accounts.

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But many people are discovering that there are limits on how much money they can access at one time. Many seniors reached out concerned that they would have to make multiple trips to an ATM to get the cash from the card.

“I called my bank and was told I would have to go to an ATM to withdraw \$1,000 once a day and then deposit it into my bank account,” Joan Bevelaqua from Columbia, Md., wrote in an email. “This is a total of three days, three separate visits. I cannot believe the government is pulling this off on the elderly. I am extremely angry.”

Q: Why did the government send the card the way it did?

A: The stimulus prepaid debit card came in a plain white envelope from Money Network Cardholder Services in Omaha.

“I was expecting a check, and this card just shows up,” said Gary Jacobson, a former business editor who is retired and living in Austin.

Jacobson said even with his experience in journalism, the mailing looked suspicious. “I do think the debit card is an efficient and quick way to distribute the economic impact funds,” he said, “but the Treasury and the [financial institution] could have done a much better job of alerting and explaining the mechanics to those who received them.”

The card was discreetly sent “to protect against potential fraud,” a Treasury spokeswoman said.

Q: Can I transfer money from the card to my own financial institution?

A: You can move the money from the ~~card~~ card to your bank. Here’s how you do it, according to instructions for the card issued by MetaBank.

You can use the Money Network Mobile App or go online to eipcard.com. You have to call 800-240-8100 (TTY: 800-241-9100) to activate the card.

Follow the steps to create a password and user ID. You will need the number on the front of the prepaid card. You'll also need your bank or credit union account number and the routing number for your financial institution. Select the option that says "Move Money Out," and follow the guidance to make the transfer, which should post in one to two business days.

People uncomfortable with online transactions or with no Internet access have found using the card inconvenient.

"After two trips to the credit union with my wife, we did successfully deposit the funds," one Virginia reader wrote. "These were two trips that we seniors did not need and which could have been avoided. We sincerely hope that those who really need it are able to make it work for them."

Another reader wrote: “I am a 74-year-old widow on Social Security and Medicare. If I want to set up an account to check the balance, I have to surrender what I feel is a great number of personal facts. I was the victim of one identity theft problem shortly after my husband died, and I am reluctant to have any more information ‘out there.’ I greatly resent this intrusion on my privacy.”

Q: Can I use the debit card at an ATM?

A: You can use the card at an ATM, but to avoid fees, you’ll have to find a machine that’s in what MetaBank calls “in-network.” It’s similar to how you can avoid an ATM fee by using one operated by your own financial institution. If you use a foreign or “out-of-network” machine, you may be charged two fees, one by MetaBank and one by the operator of the ATM.

To find an in-network ATM, use this [link](#), which can also be found at [eipcard.com](#). Just type in your Zip code, and be sure to click the box to find a “surcharge-free” ATM, which would make the entire transaction free of fees.

To get cash, enter the four-digit PIN you set up when you registered the card. Select the “withdrawal from checking” option.

Here’s where many people have gotten frustrated. There is a \$1,000 ATM withdrawal limit per transaction and per day. And your bank may have an even lower daily withdrawal or per-transaction limit.

“It took me at least three hours to set up the account and move almost all of the money,” said Peter Golkin from Arlington, Va. “There was something that prevented my first several attempts at transfers. I got the last big chunk that day of \$400 from an ATM. My dog got a walk out of it.”

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Q: Can I use the card to pay my rent or buy food?

A: There are a few ways to use the card in addition to getting cash from an ATM. You can use it at the grocery store and get cash back at the point of sale when you select the debit option at checkout. You will be prompted to enter your four-digit pin.

You can also use the card to pay your mortgage or rent if the lender or landlord accepts Visa debit card payments.

Q: Why were some debit cards not issued in the full amount, which is up to \$1,200 per individual and \$2,400 per couple?

A: There is no fee assessed to issue the stimulus debit card — although some fees apply for certain transactions.

If your card balance is less than you expected, it's probably tied to a payment reduction because of your filing status and adjusted gross income (AGI).

Under the Cares Act, eligible individuals with an AGI up to \$75,000 for single filers, \$112,500 for head-of-household filers and \$150,000 for married filing jointly are entitled to \$1,200 for individuals and \$2,400 for married filing jointly. There's an additional \$500 payment for dependents under 17.

If your income is above those amounts, the stimulus payment is reduced by 5 percent of the amount that your AGI exceeds the three thresholds.

Single filers with income above \$99,000, \$136,500 for head of household and \$198,000 for married joint filers with no children are not eligible for a payment.

However, there could have been an error in the amount you received from the IRS. If your payment is incorrect, you will have to wait to get the balance when you file a 2020 federal return next year, according to the IRS.

Q: I thought the letter was a scam, so I threw out my debit card. How do I get it replaced?

A: "I opened an unmarked envelope, saw what looked like a credit card I hadn't ordered from the Money Network, and I threw it out," said Sarah Bardinone from New York City.

Don't worry. You can get a replacement card.

“Individuals who have lost or destroyed their EIP card may request a free replacement through customer service,” said a Treasury spokeswoman. “The standard fee of \$7.50 will be waived for the first reissuance of any EIP card. Any initial reissuance fee charged to a customer from an earlier date will be reversed. Individuals do not need to know their card number to request a replacement.”

Call 800-240-8100 for a lost, tossed or stolen card. Press through the automated options until you reach a customer representative if you don't have the card number.

If the card has more than one name, only the primary cardholder — the person listed first on the card — can request a replacement. In an acknowledgment that names have been mismatched, MetaBank says the payee with the first name on the first line should make the call.

A card that is reported lost or stolen will be deactivated to prevent anyone else from using it.

Q: What are some of the fees associated with the card?

A: You will have to pay a fee for certain transactions with the economic impact card. Here are some ways you may incur a charge, according to the cardholder agreement Treasury has with MetaBank.

Bank teller counter transaction: The first withdrawal is free, but it's \$5 for each withdrawal or transaction after that. Additionally, you may also be charged a fee by the bank.

Out-of-network ATM fee: The first withdrawal from an out-of-network ATM is free. After that, it's \$2. You may also be separately charged a fee by the owner or operator of the ATM. Again, to avoid fees, search for an in-network ATM [here](#).

ATM balance inquiry fee: 25 cents.

To minimize or eliminate any fees for the debit card, read the material you received in the letter very carefully. There's also an online summary of the [fee schedule](#).

Live Chat

Please join me on Thursday, June 4, at noon (Eastern time) for a [live discussion](#) about your money. My guests will be Elizabeth White, author of "[55, Underemployed, and Faking Normal](#)," the Color of Money Book Club pick for last month. Also joining the chat will be Susan Weinstock, AARP's vice president of financial resilience programming. Weinstock is responsible for the overall strategic direction of AARP programs to improve the financial security of people 50 and older.

Reader Question of the Week

If you have a personal finance or retirement question, send it to colorofmoney@washpost.com. In the subject line, put “Question of the Week.”

Q: In both 2018 and 2019, I withdrew money from my 401(k). These withdrawals each year put our adjusted gross income (AGI) slightly above the \$198,000 limit for a couple filing jointly to receive a coronavirus stimulus payment. Could we still be eligible for a stimulus check based on only our employment income minus the 401(k) distribution, which would be well below the \$198,000 limit? Plus we have two dependents for those years. Or would the IRS count the distribution as part of AGI?

A: A distribution from your retirement account is included in calculating your gross income, which the IRS defines as “wages, dividends, capital gains, business income, retirement distributions as well as other income.”

But you may still receive a payment based on the number of dependents you have. Let’s say that your AGI for 2018 and 2019 was \$200,000. You may still be eligible for a payment of \$900 because of the two dependents.

If you aren’t sure of your AGI, you can find it on Line 8b on your 2019 federal tax return or Line 7 for your 2018 return.

To get an estimate of your stimulus payment, use this [calculator](#).

Retirement Rants and Raves

Your thoughts: I'm also interested in your experiences or concerns about retirement or aging. You can rant or rave. Send your comments to colorofmoney@washpost.com. Please include your name, city and state. In the subject line, put "Retirement Rants and Raves."

Coronavirus aid: What you need to read

Updated May 8, 2020

What you need to know: Personal finances during the pandemic | Paying your rent or mortgage | What to do if you've been laid off or furloughed because of the pandemic | Coronavirus stimulus check calculator

Impact: Airlines | Newspapers | Gig workers | U.S. Postal Service | 10 Americans navigating the coronavirus economy

Small businesses: How to get a small-business loan under the new \$484 billion coronavirus aid package | Data shows nearly 300 public companies received PPP loans | The companies that got loans that didn't need them

We want to hear from you: Are you waiting on a stimulus check, loan, or unemployment assistance from the Cares Act? | How has the coronavirus impacted your business?

*Are you recently unemployed due to the pandemic? The Post has a **new Facebook group** to help you navigate what's next.*

