



The American Recovery and Reinvestment Act of 2009 is now law and was effective February 22, 2009. Here are some basic facts about how this law affects Unemployment Insurance.

The Federal Additional Compensation

The recently enacted Federal Additional Compensation Program (FAC) provides a \$25 weekly supplement to individuals who are eligible to receive unemployment benefits under federal or state law.

FAC is payable effective February 22, 2009. Therefore, the week-ending February 28, 2009 is the first week your unemployment payment will reflect the \$25 FAC. Payment of FAC will continue through the week ending July 3, 2010 as long as your benefit year was established prior to January 1, 2010 and you continue to be eligible for unemployment benefits.

FAC benefits are subject to federal and state taxes. If you are paid FAC to which you were not entitled, an overpayment will be established.

An individual may not receive a FAC supplement if they are ineligible for unemployment benefits.

YOUR FAC PAYMENT WILL AUTOMATICALLY BE INCLUDED WITH YOUR REGULAR PAYMENT AND IDENTIFIED SEPARATELY ON THE PAYMENT NOTICE.

Federal tax exemption:

The first \$2,400 of UI benefits received during the 2009 tax year are not subject to federal taxes. If you wish to change your withholding status on your current claim, please complete the [TAX-2 form](#) and fax the form to **1-217-557-2067** or mail the form to:

**IDES
850 E Madison
First Floor
Springfield, IL 62794-9295**