Tax Refunds for Millions Will be Delayed in 2017 as IRS Attempts Crack Down on Fraud and ID Theft

October 11, 2016 - In an effort to cut down on fraud and ID theft, the IRS will be taking a closer look at tax filers who claim the Additional Child Tax Credit and the Earned Income Tax Credit. These two credits are often claimed by those filing fraudulent tax returns.

Tweet

(function() {
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];
s.type = 'text/javascript';
s.src = 'http://widgets.digg.com/buttons.js';
s1.parentNode.insertBefore(s, s1);
})();

(function() {
var po = document.createElement('script'); po.type = 'text/javascript'; po.async = true;
po.src = 'https://apis.google.com/js/plusone.js';
var s = document.getElementsByTagName('script')[0]; s.parentNode.insertBefore(po, s);
})();

In 2017 a new law goes into effect in an attempt to stop tax identity thieves. As a result, early tax filers claiming these credits will have their refund held until February 15th to give the agency additional time to review those returns.

While we applaud the change - most tax identity theft involves returns that are filed early - consumers need to make note of it and plan accordingly. Many of those who claim these two credits are lower income filers. Anyone counting on receiving their refund early is likely to very disappointed.. Bottom line is that you shouldn't plan on spending your tax return before you actually receive the payment.

WREG TV in Memphis, TN ran a good story on the change and how it will affect taxpayers. The video is addressed to residents of Memphis but the information in it pertains to taxpayers nationwide.

byJim Malmberg
Note: When posting a comment, please sign-in first if you want a response. If you are not registered, click here. Registration is easy and free.
Follow me on Twitter:

Follow ACCESS