Tax Season Scams Surge as Fraudsters Target Refunds and Personal Data

February 16, 2026 - As the 2026 tax filing season gets under way, federal and local officials are urging Americans to be on guard against a rising wave of tax-related scams designed to steal personal information and hard-earned refunds. With tax season in full swing, scammers are exploiting the rush and confusion many feel as they prepare returns, using increasingly deceptive tactics to trick people into revealing Social Security numbers, bank account details, and other sensitive data.

According to recent reporting, the Internal Revenue Serviceâ€™s Criminal Investigation division identified billions of dollars in tax fraud in the last fiscal year. Officials from the IRS Criminal Investigation office have publicly warned that dishonest tax preparers and fraudsters are looking for opportunities to file false returns or intercept legitimate refunds. These schemes often involve individuals posing as tax professionals or government agents to convince taxpayers to share personal details or pay bogus â€œfeesâ€• to receive their refund.
Federal agencies including the IRS and the Federal Trade Commission (FTC) emphasize that these scams take many forms. One of the most common tactics involves phishing emails or smishing text messages that appear to come from the IRS, claiming that a refund has been â€œapprovedâ€• or that immediate action is required to secure it. Clicking links in these messages can redirect victims to fake websites that harvest their information for identity theft or financial fraud. Officials stress that the IRS does not initiate contact via text messages, email, or social media to request personal information. Instead, most official IRS communications come through the U.S. mail.

Cybersecurity analysts say that scammers also use social media, bad online tax advice, and deceptive telephone calls to trick taxpayers into relinquishing private data. Some schemes involve fraudulently inflating refund amounts or promising lucrative credits that donâ€™t exist in order to coax disclosures of Social Security numbers and bank routing numbers. Such data can then be used not only to steal a refund but also to open credit accounts, file fraudulent tax returns in a victimâ€™s name, or commit other forms of identity theft.

Consumer protection experts recommend several precautions to minimize the risk of tax-season fraud. First, they advise taxpayers to interact only with reputable, credentialed tax preparers, and to verify credentials such as a Preparer Tax Identification Number (PTIN). If an offer sounds too good to be true â€” for example, promising unusually large refunds or tax breaks â€” it probably is. Second, taxpayers should never click links or provide personal data in response to unsolicited messages claiming to be from the IRS or other tax authorities, but should instead visit IRS.gov or the official IRS refund status tool to check refund information.

In addition to phishing and bogus websites, scams can involve fraudulent tax preparers who take clients' information but never file returns or who claim direct deposit of refunds into accounts controlled by the fraudster. Victims of these schemes often discover the fraud months later, when their real tax return is rejected or delinquent notices arrive from the IRS. Once personal information is in criminal hands, it can lead to broader identity theft problems, including unauthorized credit accounts, fraudulent loans, or misuse of Medicare and other government benefits.

Despite the many threats, awareness and practical defenses can significantly reduce the risk of falling victim. Taxpayers are encouraged to file early, safeguard Social Security numbers, use strong, unique passwords for tax preparation and financial accounts, and place fraud alerts on credit reports if they suspect identity theft. Reporting suspicious communications to the FTC at ReportFraud.ftc.gov, and to the IRS Identity Theft Hotline, helps law enforcement track and prevent scams.

With the complexity of tax law and the volume of electronic communication today, tax season inevitably creates openings for criminals. But understanding common fraud strategies and knowing how real government agencies communicate can help families protect their hard-won refunds and personal information.

by Jim Malmberg
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