

IRS News Release

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IRS Has \$2 Billion for People Who Have Not Filed a 2002 Tax Return

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WASHINGTON — Unclaimed refunds totaling more than \$2 billion are awaiting about 1.7 million people who failed to file a federal income tax return for 2002, the Internal Revenue Service announced today. However, in order to collect the money, a return for 2002 must be filed with an IRS office no later than April 17, 2006.

The IRS estimates that half of those who could claim refunds would receive more than \$570. In some cases, individuals had taxes withheld from their wages, or made payments against their taxes out of self-employed earnings, but had too little income to require filing a tax return. Some taxpayers may also be eligible for the refundable Earned Income Tax Credit.

“We want people to get the refunds they’re entitled to,” said IRS Commissioner Mark W. Everson. “We urge taxpayers to double-check their records before the April 17th deadline. Taxpayers can’t get a refund if they don’t file a tax return.”

In cases where a return was not filed, the law provides most taxpayers with a three-year window of opportunity for claiming a refund. If no return is filed to claim the refund within three years, the money becomes property of the U.S. Treasury. For 2002 returns, the window closes on April 17, 2006. The law requires that the return be properly addressed, postmarked and mailed by that date. There is no penalty assessed by the IRS for filing a late return qualifying for a refund.

The IRS reminds taxpayers seeking a 2002 refund that their checks will be held if they have not filed tax returns for 2003 or 2004. In addition, the refund will be applied to any amounts still owed to the IRS and may be used to satisfy unpaid child support or past due federal debts such as student loans.

By failing to file a return, individuals stand to lose more than refunds of taxes withheld or paid during 2002. Many low-income workers may not have claimed the Earned Income Tax Credit (EITC). Although eligible taxpayers may get a refund when their EITC is more than what they owe in tax, those who file returns more than three years late would be able only to apply it toward the taxes they owe (if any). They would not be able to receive a refund if the credit exceeded their tax.

Generally, individuals qualified for the EITC if in 2002 they earned less than \$33,178 and had

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more than one qualifying child living with them, earned less than \$29,201 with one qualifying child, or earned less than \$11,060 and had no qualifying child.

Current and [prior year tax forms and instructions](#) are available on the [Forms and Publications](#) page of the IRS Web site (www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676). Taxpayers who need help also can call the IRS help line at 1-800-829-1040.

A state-by-state breakdown of estimates for individuals who failed to file a 2002 return with a refund due is attached.

INDIVIDUALS WHO FAILED TO FILE A 2002 RETURN WITH ESTIMATED REFUNDS *

<u>Location</u>	<u>Individuals</u>	<u>Median Refund</u>	<u>Total Refunds (\$000)</u>
Alabama	27,200	\$552	\$24,546
Alaska	8,700	\$601	\$10,663
Arizona	39,000	\$472	\$36,396
Arkansas	14,900	\$536	\$13,934
California	197,300	\$514	\$218,757
Colorado	30,000	\$527	\$34,047
Connecticut	19,500	\$652	\$28,971
Delaware	6,100	\$573	\$6,310
Dist. of Columbia	7,100	\$567	\$8,277
Florida	115,900	\$593	\$162,926
Georgia	59,300	\$532	\$60,783
Hawaii	10,700	\$611	\$13,019
Idaho	6,200	\$468	\$5,572
Illinois	68,300	\$632	\$94,477
Indiana	33,500	\$612	\$36,247
Iowa	15,500	\$570	\$13,727
Kansas	17,300	\$543	\$16,088
Kentucky	18,600	\$593	\$18,633
Louisiana	27,600	\$551	\$30,272
Maine	6,100	\$513	\$6,029
Maryland	38,800	\$572	\$47,355
Massachusetts	38,900	\$633	\$64,676
Michigan	67,500	\$612	\$77,660
Minnesota	24,600	\$525	\$25,596
Mississippi	14,200	\$487	\$12,349
Missouri	34,000	\$543	\$32,925
Montana	4,300	\$493	\$4,880
Nebraska	8,000	\$535	\$7,841
Nevada	20,300	\$538	\$23,811
New Hampshire	6,800	\$668	\$11,177
New Jersey	55,800	\$646	\$81,136
New Mexico	11,600	\$512	\$11,150
New York	107,800	\$622	\$157,855
North Carolina	48,600	\$499	\$46,737
North Dakota	2,400	\$530	\$2,288
Ohio	56,000	\$559	\$56,810
Oklahoma	22,500	\$528	\$21,370
Oregon	25,800	\$478	\$24,240
Pennsylvania	58,300	\$620	\$67,372
Rhode Island	6,100	\$584	\$6,471
South Carolina	20,100	\$491	\$19,969
South Dakota	2,900	\$548	\$3,229
Tennessee	27,300	\$564	\$30,889
Texas	135,600	\$601	\$161,409

Utah	9,900	\$472	\$10,029
Vermont	2,900	\$581	\$3,287
Virginia	51,500	\$575	\$60,867
Washington	45,000	\$611	\$55,309
West Virginia	5,600	\$604	\$6,703
Wisconsin	20,200	\$525	\$19,412
Wyoming	2,900	\$603	\$3,201
Armed Forces	8,500	\$749	\$6,995
U.S. Possessions	1,000	\$587	\$1,426
Total	1,714,500	\$570	\$2,006,097

* Excluding Earned Income Tax Credit