

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

IRS Has \$1.3 Billion for People Who Have Not Filed a 2005 Tax Return

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WASHINGTON — Unclaimed refunds totaling approximately \$1.3 billion are awaiting over a million people who did not file a federal income tax return for 2005, the Internal Revenue Service announced today. However, to collect the money, a return for 2005 must be filed with the IRS no later than Wednesday, April 15, 2009.

"Especially in these tough economic times, people should not lose out on money that is rightfully theirs," said IRS Commissioner Doug Shulman. "People should check their records, especially if they had taxes withheld from their paychecks but were not required to file a tax return. They may be leaving money on the table, including valuable tax credits that can mean even more money in their pockets."

The IRS estimates that half of those who could claim refunds for tax year 2005 would receive more than \$581. Some individuals may not have filed because they had too little income to require filing a tax return even though they had taxes withheld from their wages or made quarterly estimated payments. 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 2005 returns, the window closes on April 15, 2009. 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 2005 refund that their checks will be held if they have not filed tax returns for 2006 or 2007. 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 2005. Many low-income workers may not have claimed the Earned Income Tax Credit (EITC). Generally, unmarried individuals qualified for the EITC if in 2005 they earned less than \$35,263 and had more than one qualifying child living with them, earned less than \$31,030 with one qualifying child, or earned less than \$11,750 and had no qualifying child. Limits are slightly higher for married individuals filing jointly.

Current and prior year tax forms and instructions are available on the Forms and Publications Web page of IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). Information about the Earned Income Tax Credit and how to claim it is also available on IRS.gov. Taxpayers who need help also can call the toll-free IRS help line at 1-800-829-1040.

A state-by-state breakdown of estimates for individuals who failed to file a 2005 return with a refund due is attached.

INDIVIDUALS WHO DID NOT FILE A 2005 RETURN WITH AN ESTIMATED REFUND

	<u>Individuals</u>	<u>Median Estimated Refund*</u>	<u>Total Estimated Refunds (\$000)*</u>
Alabama	21,400	\$585	\$18,167
Alaska	6,100	\$665	\$6,925
Arizona	36,900	\$487	\$31,234
Arkansas	11,400	\$547	\$9,756
California	154,500	\$537	\$144,580
Colorado	23,700	\$532	\$20,676
Connecticut	16,000	\$659	\$18,234
Delaware	5,400	\$592	\$5,117
Dist of Columbia	5,300	\$564	\$5,518
Florida	99,300	\$609	\$108,162
Georgia	44,400	\$538	\$39,381
Hawaii	9,400	\$639	\$11,108
Idaho	5,300	\$464	\$4,113
Illinois	50,400	\$640	\$53,166
Indiana	26,600	\$624	\$24,041
Iowa	11,800	\$587	\$9,367
Kansas	12,900	\$555	\$10,804
Kentucky	14,600	\$588	\$12,506
Louisiana	24,900	\$594	\$24,388
Maine	4,900	\$532	\$3,928
Maryland	30,600	\$584	\$29,967
Massachusetts	29,600	\$638	\$31,942
Michigan	45,100	\$609	\$42,390
Minnesota	19,700	\$531	\$17,085
Mississippi	12,200	\$533	\$10,311
Missouri	26,000	\$550	\$21,237
Montana	3,700	\$509	\$3,125
Nebraska	5,900	\$548	\$5,091
Nevada	18,300	\$551	\$17,588
New Hampshire	5,500	\$667	\$5,759
New Jersey	41,100	\$646	\$43,761
New Mexico	9,400	\$532	\$7,724
New York	76,800	\$639	\$82,994
North Carolina	37,300	\$515	\$29,645
North Dakota	2,000	\$553	\$1,647
Ohio	44,600	\$571	\$37,290
Oklahoma	17,000	\$546	\$14,541
Oregon	21,000	\$467	\$16,138
Pennsylvania	47,800	\$623	\$43,958
Rhode Island	4,500	\$610	\$4,332
South Carolina	16,000	\$506	\$13,240
South Dakota	2,400	\$602	\$2,046

Tennessee	21,900	\$586	\$19,917
Texas	103,000	\$624	\$105,241
Utah	8,300	\$496	\$8,334
Vermont	2,300	\$550	\$1,730
Virginia	40,200	\$576	\$40,657
Washington	35,600	\$624	\$39,414
West Virginia	4,900	\$627	\$4,389
Wisconsin	16,900	\$535	\$13,825
Wyoming	2,800	\$649	\$2,785
Armed Forces	5,500	\$800	\$4,540
US Possessions/Territories	200	\$754	\$320
Total	1,343,000	\$581	\$1,284,133

*Excluding the Earned Income Credit and other tax credits