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## As Holidays Approach, IRS Reminds Taxpayers of Refund Delays in 2017

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WASHINGTON –As the holidays approach, the Internal Revenue Service today reminded taxpayers to remember that a new law requires the IRS to hold refunds until mid-February in 2017 for people claiming the Earned Income Tax Credit or the Additional Child Tax Credit. In addition, new identity theft and refund fraud safeguards put in place by the IRS and the states may mean some tax returns and refunds face additional review.

## Some Refunds Delayed in 2017

Beginning in 2017, a new law approved by Congress requires the IRS to hold refunds on tax returns claiming the EITC or the ACTC until mid-February. The IRS must hold the entire refund – even the portion not associated with the EITC and ACTC -- until at least Feb. 15. This change helps ensure that taxpayers get the refund they are owed by giving the agency more time to help detect and prevent fraud.

"This is an important change as some of these taxpayers are used to getting an early refund," said IRS Commissioner John Koskinen said. "We want people to be aware of the change for their planning purposes during the holidays. We don't want anyone caught by surprise if they get their refund a few weeks later than in previous years."

As in past years, the IRS will begin accepting and processing tax returns once the filing season begins. All taxpayers should file as usual, and tax return preparers should submit returns as they normally do. Even though the IRS cannot issue refunds for some early filers until at least Feb. 15, the IRS reminds taxpayers that most refunds will be issued within the normal timeframe: less than 21 days, after being accepted for processing by the IRS. The <a href="Where's My Refund?">Where's My Refund?</a> tool on IRS.gov and the <a href="IRS2Go">IRS2Go</a> phone app remains the best way to get this status of a refund.

## Stronger Security Filters and Tax Refund Processing

As the IRS steps up its efforts to combat identity theft and tax refund fraud through its many processing filters, legitimate refund returns sometimes get delayed during the review process. While the IRS is working diligently to stop the issuance of fraudulent refunds, it also remains focused on releasing legitimate refunds as quickly as possible.

Recently, the Internal Revenue Service, state tax agencies and industry partners finalized plans for 2017 to improve identity theft protections for individual and business taxpayers. This comes after making significant inroads this year against fraudulent returns. Additional safeguards will be set in place for the upcoming 2017 filing season.

The IRS and its partners saw a marked improvement in the battle against identity theft in 2016. This is highlighted by the number of new people reporting stolen identities on federal tax returns falling by more than 50 percent, with nearly 275,000 fewer victims compared to a year ago.

"These increased security screenings are invisible to most taxpayers," Koskinen said. "But we want people to be aware we are taking additional steps to protect taxpayers from identity theft, and that sometimes means the real taxpayers face a slight delay in their refunds."

For more steps planned for the 2017 tax season, see Security Summit.