

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

taxpayers, it's also often mis-used and even though the Internal Revenue Service has been scolded for its poor management of the EITC, the agency is still lacking.

Isaac M. O'Bannon • May. 13, 2014

The Earned Income Tax Credit (EITC) is one of the most widely-used credits by U.S. taxpayers, it's also often mis-used and even though the [Internal Revenue Service](#) has been scolded for its poor management of the EITC, the agency is still lacking.

This was the focus of the latest report from the Treasury Inspector General for Tax Administration (TIGTA), a part of the U.S. Treasury Department tasked with overseeing the IRS. TIGTA noted that the IRS continues to make little progress in reducing improper EITC payments.

TIGTA's finding came in a review of the IRS's compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA), which requires Federal agencies to estimate improper payments for all programs in which such payments are significant. The IPERA requires TIGTA to assess the IRS's compliance with improper payment requirements.

The Office of Management and Budget (OMB) has declared the EITC Program a high-risk program that is subject to reporting in the Department of the Treasury Agency Financial Report. The IRS estimates that 22 to 26 percent of EITC payments were issued improperly in Fiscal Year 2013. The dollar value of these improper payments was estimated to be between \$13.3 billion and \$15.6 billion.

“The intent of this law is to help ensure that the Government serves as a responsible steward for the tax dollars it collects. As noted in previous TIGTA reports, the IRS can and must do more to protect taxpayer dollars from waste, fraud, and abuse,” said J. Russell George, Treasury Inspector General for Tax Administration.

Finally, although risk assessments were performed for each of the programs that the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Income Tax • IRS

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved