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When it comes to income tax refunds, bigger is always better, right? Well, not if they aren't legitimate. The [IRS](#) is warning taxpayers to be on the lookout for unscrupulous tax return preparers pushing inflated tax refund claims. This scam remains on the annual list of tax scams known as the "Dirty Dozen" for the 2016 filing season.

"Be wary of tax preparers that tout outlandish refunds based on federal benefits or tax credits you've never heard of or weren't eligible to claim in the past," said IRS Commissioner John Koskinen. "Taxpayers should choose preparers who file accurate returns."

Compiled annually, the "Dirty Dozen" lists a variety of common scams that taxpayers may encounter any time but many of these schemes peak during filing season as people prepare their returns or hire someone to help with their taxes.

Illegal scams can lead to significant penalties and interest and possible criminal prosecution. IRS Criminal Investigation works closely with the Department of Justice (DOJ) to shutdown scams and prosecute the criminals behind them.

### Don't Fall Victim to Promises of Outlandish Refunds

Scam artists routinely pose as tax preparers during tax time, luring victims in by promising large federal tax refunds or refunds that people never dreamed they were due in the first place.

Scam artists use flyers, advertisements, phony store fronts and even word of mouth to throw out a wide net for victims. They may even spread the word through

community groups or churches where trust is high. Scammers frequently prey on

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Scam artists also victimize people with a filing requirement and due a refund by promising inflated refunds based on fictitious Social Security benefits and false claims for education credits, the Earned Income Tax Credit (EITC), or the American Opportunity Tax Credit, among others.

The IRS sometimes hears about scams from victims complaining about losing their federal benefits, such as Social Security benefits, certain veteran's benefits or low-income housing benefits. The loss of benefits was the result of false claims being filed with the IRS that provided false income amounts.

While honest tax preparers provide their customers a copy of the tax return they've prepared, victims of scams frequently are not given a copy of what was filed. Victims also report that the fraudulent refund is deposited into the scammer's bank account. The scammers deduct a large "fee" before paying victims, a practice not used by legitimate tax preparers.

The IRS reminds all taxpayers that they are legally responsible for what's on their returns even if it was prepared by someone else. Taxpayers who buy into such schemes can end up being penalized for filing false claims or receiving fraudulent refunds.

Taxpayers can help protect themselves by doing a little homework before picking preparers who make refund claims that may sound too good to be true.

Start with the [IRS Directory of Federal Tax Return Preparers with Credentials and Select Qualifications](#). This tool can help taxpayers find a tax return preparer with the right qualifications. The Directory is a searchable and sortable listing of certain preparers registered with the IRS. It includes the name, city, state and zip code of:

- Attorneys
- CPAs

- [Enrolled Agents](#)

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