

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 Credit (EITC) and the Additional Child Tax Credit (ACTC) will likely see delays in their refunds.

Jan. 05, 2018

The IRS says that for the 2018 income tax filing season, taxpayers with the Earned Income Tax Credit (EITC) and the Additional Child Tax Credit (ACTC) will likely see delays in their refunds.

The agency just announced that it will begin processing tax returns on January 29, 2018, for 2017 income (that taxpayers have until April to file). However, taxpayers with those credits will not receive refunds until at least late in February. Starting last tax season, the IRS started implementing more checks and fraud prevention measures for returns with those credits, which have been abused in the past.

The January 29 start date for tax filing season is a little later than usual to give the IRS enough time to ensure security and readiness of key tax processing systems and to assess the potential impact of new tax legislation on 2017 tax returns. About 155 million individual tax returns are expected to be filed in 2018.

The deadline for filing 2017 returns is Tuesday, April 17, 2018, because April 15<sup>th</sup> is a Sunday and Emancipation Day is celebrated in Washington D.C. on Monday, April 16<sup>th</sup>. Therefore, taxpayers will have two extra days to file beyond the traditional April 15th due date.

Many software companies and tax professionals will be accepting tax returns before January 29 and then will submit the returns when IRS opens for business. Although the IRS will begin accepting both electronic and paper tax returns January 29, paper returns will begin processing later in mid-February as system updates continue. The IRS strongly encourages electronic filing for faster refunds.

In the new Notice, the IRS reminds taxpayers that, by law, it can't issue refunds

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

electronically. Those who use the same tax software they used last year don't have to enter prior-year information to electronically sign their 2017 tax return. Using an electronic filing PIN is no longer an option.

Choosing e-file and direct deposit for refunds remains the fastest and safest way to file an accurate income tax return and receive a refund. The IRS expects more than four out of five tax returns to be prepared electronically using tax software.

Despite the delays relating to the tax credits, the IRS still anticipates issuing more than nine out of ten refunds in less than 21 days, but there are some important factors to keep in mind. For instance, after refunds leave the IRS, it takes additional time for them to be processed and for financial institutions to accept and deposit the refunds to bank accounts and products. Many financial institutions don't process payments on weekends or holidays, which can affect when refunds reach taxpayers. For EITC and ACTC filers, the three-day holiday weekend involving Presidents' Day may affect refund timing.

Finally, the IRS says that the [Where's My Refund?](#) tool on [www.irs.gov](http://www.irs.gov) and the [IRS2Go](#) phone app will be updated with projected deposit dates for early EITC and ACTC refund filers in late February. Taxpayers won't see a refund date on Where's My Refund? or through their software packages until then. The IRS, tax preparers and tax software will not have additional information on refund dates, so Where's My Refund? remains the best way to check the status of a refund.

Income Tax • IRS • Sales Tax

sponsors.

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