

WHY HAVEN'T I RECEIVED MY REFUND?

On July 1, 2021 Erin Collins, the Taxpayer Advocate, released her annual IRS report. This may be the reason your tax refund is delay:

- The IRS has a current backlog of 35 million unprocessed individual and business tax returns that require manual processing. This is more than 5 times as many as were manually processed in 2019;
 - A little less than half of the backlog is paper tax returns awaiting processing, with most of the rest tax returns that were suspended during processing and requiring further review. Of the suspended returns, a large number were flagged because of discrepancies between recovery rebate credits claimed by taxpayers and what IRS records indicate the taxpayer qualifies for.
 - Also flagged were many returns of taxpayers who elected to use their 2019 earnings instead of their 2020 earnings to claim a larger earned income tax credit or additional child tax credit as allowed by the Cares Act. Of course the very idea here was to quickly provide refunds where needed, but reality has meant that these poor taxpayers not only did not get the refund quickly, they got boomeranged into a delay and still don't have it!
 - Ms. Collins observed that all most taxpayers can do is wait for the backlog to clear!
 - Adding to the backlog is a sharp increase in the number of returns flagged as suspicious: 3.7 million as of May 2021, compared with just 1.3 million in all of 2019, the report found.

IRS received more phone calls during the 2021 filing season alone than it had ever received in a full fiscal year, with over four times as many calls as in the prior filing season.

- The IRS's highest-volume phone line for individual income tax assistance clocked roughly 85 million calls, only 3 percent of which went through to a live IRS customer service representative.

- **AND NOW YOU KNOW!!**