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Getting A Tax Refund? Ten Things To Know

If you are getting a tax refund rather than writing a check, you'll be more anxious to file your return. But even if you've already filed, here are tips about getting your money.

1. Should You Ask? Many taxpayers worry that if they ask for a whopping check back, their audit exposure goes up. If you had too much tax withheld from your paycheck or made large estimated tax payments, it isn't really tax money until you've filed a tax return. Even so, you may want to apply all or part of your refund to your next year's tax.

2. Amended Returns and Refunds. Concerns about refunds are more pronounced with amended tax returns, which are more likely to be examined. If you file an amended return, asking for a refund to be applied to next year's tax can be wise.

3. Refund Options. If you are receiving a refund, you have three options: paper check, direct deposit or U.S. Savings Bonds. You can use direct deposit even if you don't file electronically, but if the IRS encounters trouble it will send a paper check. If you receive a paper check don't lose it—getting a replacement can be a hassle. You can request your refund to be allocated among up to three separate accounts. To do this, use [IRS Form 8888](#), Direct Deposit of Refund to More Than

One Account. The IRS is processing millions of returns, so give clear instructions.

4. Paper vs. Electronic? If you file a paper return, your refund should take about six weeks. If you file electronically, the refund should be within three weeks after your electronic filing. Electronic filing reduces errors, since the software corrects many common errors, but I still prefer my clients to file on paper.

5. Checking Online or By Phone. You can check the status of your current year refund at www.irs.gov and click the “Where’s My Refund?” link. Or use the IRS Refund Hotline (1-800-829-1954). You’ll need your name, Social Security number, filing status and the exact whole dollar amount of your refund shown on your return.

6. Why Refunds Are Delayed. Reasons for delayed refunds include:

1. Incorrect or missing Social Security numbers;
2. Incorrect tax entered based on taxable income and filing status;
3. Computation errors in figuring taxable income, withholding and estimated tax payments, Earned Income Credit, Standard Deduction for age 65 or over or blind, the taxable amount of Social Security benefits, and child and dependent care credit (or missing or incorrect identification numbers for child care providers);
4. Withholding and estimated tax payments entered on the wrong line; and
5. Math Errors. More errors and checklists appear [here](#).

7. Refund Then Audit? The mere fact that you receive a tax refund does *not* mean your return has been audited and approved. In fact, the IRS generally has three years to audit your return. See [Even The IRS Has Time Limits](#). Often, the refund will be processed, but the audit will come later.

8. Larger Than Expected Refund. If you receive a refund that seems too large, don't cash the check until you receive a notice explaining it. Expect a notice within a few days of receiving the check. If you receive a big check you know is wrong, don't cash it, as the IRS will want its money back, usually with interest. If you think you're in this big mistake category, check with the IRS.

9. Smaller Than Expected Refund. If your refund is smaller than expected, you'll usually receive an explanation of the difference. It may be a math error, an exemption mistake, a penalty, etc. You usually have a right to dispute what the IRS has done. If significant money is involved and you think the IRS is wrong, get some professional help. If your refund check is short and you still haven't received a written explanation from the IRS two weeks after receiving your refund, try calling 1-800-829-1040.

10. Missing or Lost Checks. The IRS will assist you in obtaining a replacement if your refund check is lost or stolen. If the IRS was unable to deliver your refund because you moved, you can change your address online and then ask the IRS to reissue the undelivered check.