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Trump Bashes \$4 Billion In IRS Refunds To Illegals

President Obama and Donald Trump see immigration differently. The President's aggressive executive action on immigration is still being litigated, and Mr. Trump proposes action of a different kind. In the meantime, tax credits and refunds for illegal immigrants have become controversial. Mr. Trump says [illegal immigrants get \\$4.2 billion in tax credits](#). He can point to a [2011 audit](#) by the Treasury Inspector General for Tax Administration. It confirms that individuals who are not authorized to work in the United States were paid \$4.2 billion in refundable credits.



Republican presidential candidate businessman Donald Trump speaks during a campaign town hall Wednesday, Aug. 19, 2015, at Pinkerton Academy in Derry, N.H. (AP Photo/Mary Schwalm)

It sounds crazy, and yet one source says Trump is the one being unfair, taking this out of context, and not [counting their taxes paid](#). Bear in mind that undocumented immigrants cannot legitimately get Social Security numbers. However, they can file taxes with an Individual Taxpayer

Identification Number or [ITIN](#). They are not supposed to get the Earned Income Tax Credit, but they can receive the [additional child tax credit](#).

That, rather than Mr. Trump, is the culprit. Mr. Trump might also point out the arguably bigger flap over the illegal immigrants whose status would be legitimized under the President's executive action. That boondoggle is arguably even bigger, involving the Earned Income Tax Credit. Yet it is the same refundable tax credit responsible for [billions in fraudulent refunds](#).

The recipe goes like this. First, get a Social Security number, then claim the Earned Income Tax Credit for the last three years. Then, wait for the IRS to send you three years of tax refunds. The gambit could apparently work even if you never paid taxes, never filed a return, and worked off the books. And the IRS says this is the way the Earned Income Tax Credit works.

Cautious IRS Commissioner Koskinen himself explained the seemingly bizarre result to Sen. Charles Grassley (R-Iowa). Illegal immigrants covered by the President's amnesty deal can claim back tax credits for work they performed illegally, even if they never filed a tax return during those years. This [written](#) response clarified the IRS chief's earlier statements, [confirming that illegals can get back taxes](#).

Earlier this year, Mr. Koskinen [said](#) that to claim a refund, an illegal immigrant would need to have filed past tax returns. But the IRS chief later corrected himself and said that they can claim the money even if they never filed tax returns in the past. According to the IRS, illegal immigrants granted amnesty and Social Security numbers can claim up to three years of back tax credits.

The IRS says a [2000 Chief Counsel Advice](#) on this issue is correct. With the amnesty, illegal immigrants could [receive](#) tens of thousands of dollars in tax refunds. Calling the three year tax refund perk a mockery of the law, Senator Grassley noted that illegals would be able to claim *billions* of dollars in tax benefits. Although the President hasn't backed down, U.S. Rep. Patrick McHenry introduced the [No Free Rides Act](#). The bill would not stop illegal immigrants from filing tax returns, but would prohibit those workers from using the Earned Income Tax Credit.

"My bill is a direct result of the (IRS) announcement," [said McHenry](#). "It's very simple. If you're not here legally, you should not be able to access the Earned Income Credit. It's for the American taxpayers who are trying to make ends meet." Rep. McHenry noted that even if undocumented workers were

employed in the past, many may have used Social Security numbers that didn't belong to them.

“President Obama’s immigration action giving millions of illegal immigrants Social Security numbers marked an unprecedented executive overreach,” said McHenry. “Now, we learn that these same people, whose first act on American soil was breaking our laws, might be eligible for up to \$24,000 in tax credits. This is simply unacceptable. By introducing the No Free Rides Act we ensure these illegal immigrants will not receive any more benefits intended to help American families.”

Congressman Sam Johnson (R-TX) has also reintroduced his [No Social Security Numbers and Benefits For Illegal Aliens Act](#).

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