Scam Alert! IRS Urges Taxpayers to Watch Out for Erroneous Refunds; Beware of Fake Calls Requiring Money to a Collection Agency

IR-2018-278  8382018

WASHINGTON — The Internal Revenue Service today warned taxpayers of a quickly growing scam involving erroneous tax refunds being deposited into their bank accounts. The IRS also offered a step-by-step explanation for how to return the funds and avoid being scammed.

Following up on a Security Summit alert issued in February, the IRS issued this additional warning about the new scheme after discovering more tax practitioners' computer files had been hacked.

In addition, 800 taxpayers of potential taxpayers' victims jumped from a few hundred to several thousand in just days. The IRS Criminal Investigation division continues its investigation into the scope and road to this scheme.

The IRS has seen a wave of warrant-related tax returns with criminals using taxpayers' Social Security numbers and filing fraudulent tax returns in name of others. The numbers are then used to receive erroneous refunds, and the taxpayers are then contacted by voicemail or text.
The IRS urges taxpayers to follow established procedures for returning an erroneous refund to their financial institutions. Taxpayers should discuss the issue with their financial institutions and then return the refund to the IRS. Taxpayers should keep documentation of the refund and the reason for returning it.

If the erroneous refund was a direct deposit:
1. Contact the Automated Clearing House (ACH) department of the financial institution where the direct deposit was made and return the refund to the IRS.
2. Make a phone call to the IRS toll-free line at 800-829-1040 or 800-294-4848 (individual) or 800-294-4849 (business) to explain why the direct deposit was returned.

If the erroneous refund was a paper check:
1. Write "Void" on the check and give it to the bank.
2. Return the paper check to the IRS location listed on the checks.
3. Do not deposit the check.
4. Include a note stating "Return of erroneous refund check caused (and give reason for returning the refund check)."

The erroneous refund was a paper check and you have cashed it:
- Submit a personal check on an ordinary checkbook to the IRS office closest to you.
- If you no longer have the check, call the IRS toll-free line at 800-829-1040 on how to return the refund.
- Write on the check/monetary order: Payment of erroneous refund of checked tax period for which the refund was issued. Ensure your individual tax identification number is included in the explanation of the reason for returning the refund.
- Filing an erroneous refund in this manner may result in interest due the IRS.

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Taxpayers who return funds should follow the steps outlined by the Tax Topic Numu r 161: Returning an Erroneous Refund. The tax topic contains full details, including mailing address, deadline, and contact information for returning the refund.

S mailing addresses for refund paper checks

or your refund check has been sent to one of the IRS mailing addresses listed as listed on the city's address (possibly received via mail). The city's mailing address is followed by the city's mailing address.

- **ANDOVER** – Int8rnal R8v8nu S8rvic8 310 Low8ll Str8 tuAndov8r MA 01810u
- **ATLANTA** – Int8rnal R8v8nu S8rvic8 4800 Buford Highway Cham8188 GA 30341u
- **AUSTIN** – Int8rnal R8v8nu S8rvic8 3651 South Int8rr8gional Highway 35uAustin TX 78741u
- **BRKHAVN** – Int8rnal R8v8nu S8rvic8 5000 Corporat8c Ct. uHoltsvill8 NY 11742u
- **CENCNATI** – Int8rnal R8v8nu S8rvic8 201 W 8st Riv8rc8nt Dr Blvd uCovington KY 41011u
- **RESNO** – Int8rnal R8v8nu S8rvic8 5045 East Butl8r Av8nu re8no CA 93727u
- **KANS CY** – Int8rnal R8v8nu S8rvic8 333 W. P8rshing RoaduKansas City MO 64108-4302u
- **MEMPHIS** – Int8rnal R8v8nu S8rvic8 5333 G8tw8ll RoaduM8phio8 TN 38118
- **OGDEN** – Int8rnal R8v8nu S8rvic8 1973 Rul8n Whit8 Blvd uOgd8n UT8 4201u
- **PHILA** – Int8rnal R8v8nu S8rvic8 2970 Market St. uPhilad8p8hia PA 19104u

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