



TAX FILING SEASON TO START FEB. 12, IRS ANNOUNCES

From the Journal of Accountancy by Alistair M. Nevius, J.D.

The IRS on Friday, Jan. 15, announced that it will start accepting and processing 2020 tax returns on Friday, Feb. 12. This is later than in most previous years, when tax season has started in January. The IRS says the delay is due to the extra time it needs for programming and testing its systems following the tax law changes made by the Consolidated Appropriations Act, 2021 (CAA 2021), which was enacted Dec. 27.

According to the IRS, much of the additional programming stems from the second round of recovery rebate credits authorized by the CAA 2021, which taxpayers can claim on their 2020 returns if they do not receive an economic impact payment.

The IRS anticipates starting to issue refunds for taxpayers who claim the earned income tax credit and/or additional child tax credit in the first week of March, for taxpayers who file electronically and provide direct deposit information and have no other issues with their returns.

The IRS says it expects more than 150 million tax returns to be filed this year.

Friday, Jan. 15, was also the day that IRS Free File products became available for the year. Taxpayers who qualify can use Free File to prepare their returns now. The IRS will then hold the completed returns until it starts processing returns on Feb. 12. MilTax returns — tax services for the military offered through the Department of Defense — will be available starting Jan. 19.