

Identity Theft and Refund Fraud At the IRS: A Partial Solution

TAX NOTES

03.14.2016

In this article, Larry Gibbs discusses the fiscal impact and the escalating identity theft and refund fraud within the socioeconomic programs the Internal Revenue Service (IRS) administers as the result of refundable credits, particularly the earned income tax credit. Gibbs proposes administrative reform of those programs to partially address the identity theft and refund fraud problems the refundable credits are raising. "Our federal fiscal system depends on the IRS to not only raise revenue to fund government operations but also to administer a variety of other socioeconomic programs that have become part of our tax law in the last 25 years or so," Gibbs said. "It therefore would seem appropriate to reconsider how these programs should be administered and what agency or agencies should be involved in their administration."