

Advanced Child Tax & Earned Income Tax Credit Refund Delay-File Early

If you are middle income young taxpayers with young children, or earning less than the poverty line, file early as those refunds will be delayed.

In the early days of electronic filing, IRS used to publish an expected refund schedule that showed that most people who filed within a specific date range should receive their tax refunds within 7-10 days by using electronic deposit and a few days more if they requested a paper check. However, due to a number of factors, including taxpayer abuses and fraudulently filed returns, IRS now states that most people can expect their refunds within 21 days. Below is the 2024 IRS schedule.

Yet IRS recently announced that those who submit a return that claims wither the refundable Advanced Child Tax Credit (ACTC) or the Earned Income Credit (EITC) may need to wait longer, possibly 5-7 weeks, assuming that the return is not selected for further review, which could delay processing the return until it is reviewed by an agent. I can only imagine that the reason for the delay is closely connected with the significant number of abuses that occurred when Congress approved the massive stimulus payments sent to people during the Covid-19 crisis. As a taxpayer, I certainly can't blame the IRS for exercising caution in this regard.

However, as a tax professional, I also realize that many people use extra withholding as a means of saving throughout the year and often file early looking forward to their refund, and that many of these are middle income young parents who also qualify for the refundable AOTC as well. Unfortunately, there is nothing that can be done about that, but you can expedite the return processing by not claiming huge deductions relative to your income especially medical and charitable contributions without attaching receipts, filing before you receive all third party tax notices and forms reporting income (and withholding), not reviewing your tax return (even if prepared by a professional tax return preparer) to ensure that all income is reported.

The following is the refund schedule for returns without ACTC and EITC:

ACTC/EITC Refund approved by IRS	ACTC/EITC Direct deposit sent by IRS	ACTC/EITC Paper check mailed by IRS
January 29, 2024	February 27 to March 3, 2024	March 5 to 9, 2024
February 5, 2024	March 4 to 8, 2024	March 12 to 16, 2024
February 12, 2024	March 11 to 15, 2024	March 18 to 22, 2024
February 19, 2024	March 18 to 22, 2024	March 25 to 29, 2024
February 26, 2024	March 25 to 29, 2024	April 1 to 5, 2024
March 4, 2024	April 1 to 5, 2024	April 8 to 12, 2024
March 11, 2024	April 8 to 12, 2024	April 15 to 19, 2024
March 18, 2024	April 15 to 19, 2024	April 22 to 26, 2024

March 25, 2024

April 1, 2024

April 8, 2024

April 15, 2024

April 22 to 26, 2024

April 29 to May 3, 2024

May 6 to 10, 2024

May 13 to 17, 2024

April 29 to May 3, 2024

May 6 to 10, 2024

May 13 to 17, 2024

May 20 to 24, 2024