# The New York State Department of Taxation and Finance Andrew M. Cuomo - Governor • Thomas H. Mattox - Commissioner

# NYS Tax Department Saves New Yorkers from Footing the Bill for \$413 Million in Bad Refunds

# Stopped refunds are result of fraud, identity theft and errors

For Release: Immediate, Monday, April 14, 2014

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The New York State Department of Taxation and Finance today announced the results of its fraudulent refund prevention program. In 2013, 255,000 fraudulent and erroneous refunds totaling more than \$413 million were stopped, and the Department has identified \$287 million in questionable refunds already this year.

The Department uses a combination of sophisticated technology and highly trained staff to review every tax return and stop suspicious refunds before they're issued. The program is a model for other states, and was recognized this year with an Outstanding Technology Award by the Washington, D.C.-based Federation of Tax Administrators.

Of the 10 million income tax returns processed by the Department each year, hundreds of thousands claim refunds that are questionable due to errors or outright fraud, including identity theft.

"Honest New Yorkers can rest assured that their tax dollars are not being sent to undeserving individuals and refund schemers," said Commissioner of Taxation and Finance Thomas H. Mattox. "Tax evaders are on notice that we will catch you and, where appropriate, work with local and federal authorities to bring you to justice."

The New York State Office of the Comptroller also reviews tax refunds before payments are issued and can use data not available to the Department to detect additional fraudulent refund claims. In 2013, 5% of the stopped refunds were initially identified by the Comptroller's Office and then investigated by Department staff.

## Report fraud

To report tax fraud, evasion or identity theft, call 518-457-0578 or visit our Tax Fraud Web page.

### Related announcements

- Governor Cuomo announces initial results of tax scofflaw driver license suspension initiative
- Capital Region subcontractor arrested for failing to file income tax returns for five years
- Bronx tax preparer to serve 6 months at Riker's Island
- Identity thief sentenced to state prison

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