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New Year, New Tax Season

Vea esta página en español (https://www.fdic.gov/consumer-resource-center/2026-01/ano-nuevo-nueva-temporada-de-impuestos)

What to Do with Your Refund

The tax filing season is just around the corner and if you're expecting a federal refund this year, this month's article highlights key tips on getting help filing your taxes, receiving your refund quickly and securely, and staying informed about important new information for the upcoming filing season.

If Eligible, Get Free Tax-Preparation Assistance

You may qualify for free tax preparation assistance through IRS programs like Volunteer Income Tax Assistance (https://www.irs.gov/individuals/free-tax-return-preparation-for-qualifying-taxpayers) (VITA) and Tax Counseling for the Elderly (https://www.irs.gov/individuals/tax-counseling-for-the-elderly) (TCE). These two programs can also help you identify tax credits you may be eligible for, like the Earned Income Tax Credit (https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc) (EITC), that can increase the amount of your refund. A credit is an amount you subtract from the tax you owe. This can lower your tax payment or increase your refund. Some credits are refundable (https://www.irs.gov/credits-deductions/individuals/refundable-tax-credits) — they can give you money back even if you don't owe any tax. A deduction is an amount you subtract from your income when you file so you don't pay tax on it. By lowering your income, you may be able to lower your tax.

Low-to-moderate income workers with children may be eligible to claim the EITC if certain qualifying rules apply to them. You may qualify for the EITC even if you can't claim children as dependents on your tax return. If you're unsure if you qualify for the EITC (https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.irs.gov%2Fcredits-deductions%2Findividuals%2Fearned-income-tax-credit%2Fuse-the-eitc-assistant&data=05%7C02%7CHLasconia%40FDIC.gov%7Cd3e70f355d894277ce6a08de4c7189a0%7C26c83bc

931c14d77a5230816095aba31%7C0%7C0%7C639032248000587643%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMiIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=9sOTbv7eN8bQqDNslQhrPh%2B%2F%2BZ6tPcIlnqMLjuYBiBQ%3D&reserved=0) , or other credits and deductions (https://www.irs.gov/credits-and-deductions-for-individuals), use the EITC Assistant (https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.irs.gov%2Fcredits-deductions%2Findividuals%2Fearned-income-tax-credit%2Fuse-the-eitc-assistant&data=05%7C02%7CHLasconia%40FDIC.gov%7Cd3e70f355d894277ce6a08de4c7189a0%7C26c83bc931c14d77a5230816095aba31%7C0%7C0%7C639032248000587643%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMiIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=9sOTbv7eN8bQqDNslQhrPh%2B%2F%2BZ6tPcIlnqMLjuYBiBQ%3D&reserved=0).

Not Eligible for VITA or TCE Programs? Choose a Trusted Tax Preparer

When searching for a reputable tax preparer, ask for their Preparer Tax Identification Number (PTIN), a list of references, and any fees they want to charge you. If anyone promises large refunds, claims special insider knowledge of tax credits or rebates, contacts you at home or calls you unsolicited by phone, that may be a sign of a scam. The IRS has information on their website to help you choose a tax professional (https://www.irs.gov/tax-professionals/choosing-a-tax-professional) and learn how to prepare to file your taxes (https://www.irs.gov/individuals/check-if-you-need-to-file-a-tax-return).

Choose Direct Deposit into a Bank Account for a Quick Refund

Direct deposit is now the primary way the IRS sends refunds. It's faster and more secure than sending tax refunds using paper checks, which are being phased out under IRS guidance (https://www.irs.gov/newsroom/irs-to-phase-out-paper-tax-refund-checks-starting-with-individual-taxpayers)
. Plan on getting your refund electronically within 10-21 days after the IRS accepts your return when you e-file and choose direct deposit. You can also split your refund into up to three bank accounts. Don't have a bank account? Consider opening one (https://www.fdic.gov/getbanked) to receive your refund, help track your spending, and pay bills online. If you have a deposit account with an FDIC-insured bank, you are insured for at least $250,000.

Tax Refunds on Prepaid Cards

The IRS can direct deposit refunds onto reloadable prepaid cards, but doing so may come with fees and conditions. Make sure you understand how to load money onto the card, what charges may apply, and how to protect your Personal Identification Number (PIN), and the card itself, to avoid any unauthorized charges. When setting up a prepaid card to receive a deposit, you might be asked to validate personal information (https://www.consumerfinance.gov/ask-cfpb/why-am-i-being-asked-for-personal-information-to-activate-or-register-a-prepaid-card-en-443/) like your Social Security number and date of birth to activate or register the prepaid card. Treat your prepaid card like cash. If it gets lost or stolen, you might have to pay a replacement fee or incur risks associated with unauthorized charges. The FDIC offers information (https://www.fdic.gov/deposit/deposits/prepaid.html) that can help you understand if the money on your prepaid card is FDIC-insured.

Track Your Refund

Tracking your refund has never been easier. Visit

IRS Where's My Refund? (https://sa.www4.irs.gov/wmr/) or download the IRS2Go app (https://www.irs.gov/help/irs2goapp) to check your refund status which is updated frequently. Make sure you have your Social Security number, filing status and refund amount ready.

Protect Your Tax Refund from Scammers

The IRS will not initiate any contact with you to ask for your personal or financial information by phone, email, text, or through social media. Scammers will often impersonate IRS agents to obtain your Social Security number and bank account numbers, and use that information to steal your money. The FTC (https://consumer.ftc.gov/articles/phone-scams) cautions consumers to be wary of phone calls or texts warning you of bad consequences if you don't act immediately. Examples include messages encouraging you to click on a link or to provide payment with a gift card, prepaid card, wire transfer, or cryptocurrency. In cases like these, it's often best to pause, as it's probably a scam. Call the IRS right away at 800-908-4490 (tel:8009084490) or visit the IRS website (https://irs.gov/). You can also report it to the Treasury Inspector General for Tax Administration (https://www.tigta.gov/), or by calling 800-366-4484 (tel:8003664484).

Money Smart Ways to Use Your Refund

You can use a tax refund to build savings (https://playmoneysmart.fdic.gov/game/13) , pay down high-interest credit card debt (https://playmoneysmart.fdic.gov/game/7) , or make an extra mortgage (https://playmoneysmart.fdic.gov/game/3) payment on the principal. Learn more about how Starting Small Can Lead to Big Savings (https://www.fdic.gov/consumer-resource-center/2024-01/starting-small-can-lead-big-savings).

New Information for the 2026 Tax Season

Check updated IRS guidance (https://www.irs.gov/individuals/get-ready-to-file-your-taxes) on adjustments toto federal taxes, deductions, and credits like the Earned Income Tax Credit (https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit-eitc). Visit the IRS website (https://irs.gov/) for the most up-to-date information for the upcoming tax season. Also, you should understand your rights as a taxpayer (https://www.irs.gov/taxpayer-bill-of-rights) and know how to protect them.

If you are getting a tax refund this year, remember to take steps to keep your refund safe, know the refund options available to you, and consider different ways to make your money work harder for you.

Additional Resources

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- Explore our *How Money Smart Are You?* (https://playmoneysmart.fdic.gov/games?utm_campaign=cn&utm_medium=gd&utm_source=6811615) tool that can help you make more confident financial decisions.

IRS

- Get a head start on tax season (https://www.irs.gov/newsroom/its-not-too-early-to-get-ready-for-the-2026-tax-season?utm_campaign=cn&utm_medium=gd&utm_source=6811615) and find, free in-person tax help (https://freetaxassistance.for.irs.gov/s/sitelocator?utm_campaign=cn&utm_medium=gd&utm_source=6811615) if you need assistance filing.

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