

## **File by January 23 to avoid refund delay**

Last Friday the California State Controller announced the state would not send tax refunds for 30 days beginning February 1. According to the Franchise Tax Board they will continue to process returns as normal but the State Controller will stop issuing refunds February 1.

Tax returns that have not completed processing by the FTB and the State Controller's Office before February 1 will have their refunds delayed. Thus, based on our understanding of processing time, we believe that a taxpayer who e-files their California return using direct deposit of any refund could possibly receive a refund if the return is accepted by the FTB on or before this Friday, January 23.

**Note:** As the situation changes daily, no one can guarantee that refunds will be released, even if filed by January 23. Be sure to advise your clients that filing early **may** mean an earlier refund, but there is no guarantee.

We recommend the taxpayer request direct deposit of refunds, which will speed up the receipt of the refund both now and when the State Controller releases the refunds.