

## Unemployment Adjustments

IRS began adjusting returns to exclude up to \$10,200 in unemployment income the week of June 14<sup>th</sup>.

\$10,200 is the amount of exclusion, not the amount of the refund. Refunds will vary per person depending on overall income, tax bracket, and how much earnings came from unemployment benefits.

They are starting with Single filers, then moving to MFJ filers.

If you received your refund by direct deposit the IRS will use that bank account to deposit the refund otherwise, you will get a check. If that bank account is closed, you will receive a check and it will take longer. Checks will go to the address that the original return was filed at.

The IRS is sending a letter to clients after the adjustment has been made.

Remember the IRS can seize the refund for any past-due debt.

You can check the status of the refund by creating an account with the IRS, Hawkins Accounting can't do this for clients. Instructions on how to do this are below.

The "Where's My Refund?" tool will not have this information.

The state of Michigan is not adjusting returns for this reason.

Hawkins Accounting is reviewing these returns and will contact you if you are in this situation.