



Written by [Dave Bohon](#) on June 24, 2013

IRS Refunded Tens of Millions of Dollars to Unauthorized Illegal Workers

The woes of the Internal Revenue Service continue as [CNSNews.com](#) reported June 21 that in 2011, the federal tax bureaucracy sent nearly 24,000 tax refunds totaling more than \$46 million to “unauthorized” immigrant workers who all claimed the same Atlanta, Georgia, address. The revelation came in a July 16, 2012 audit report prepared by the Treasury Inspector General for Tax Administration (TIGTA) — a report titled tellingly, “Substantial Changes Are Needed to the Individual Taxpayer Identification Number Program to Detect Fraudulent Applications.”



According to the TIGTA report, the address was one of several in Atlanta used by unauthorized workers to receive millions of dollars in federal tax refunds in 2011. The top Atlanta address received 23,994 tax refunds worth a combined total of \$46,378,040. A second Atlanta address received 11,284 refunds worth \$2,164,976 in refunds to unauthorized immigrant workers; 3,608 refunds worth \$2,691,448 went to a third; and a fourth garnered 2,386 refunds for \$1,232,943.

Similar refunds went to bogus addresses around the country, with, among the top ten: 2,507 refunds worth \$10,395,874 going to an address in Oxnard, California; 2,408 refunds worth \$7,284,212 to Raleigh, North Carolina; 2,047 refunds worth \$5,558,608 to a Phoenix, Arizona address; 1,972 refunds for a \$2,256,302 to an address in Palm Beach Gardens, Florida; 1,942 refunds for \$5,091,027 to one address in San Jose, California; and 1,846 refunds worth \$3,298,877 sent to an address in Arvin, California.

The apparent scam is nothing new for the IRS. CNSNews.com’s Terence Jeffrey reported that since 1996 “the IRS has issued what it calls Individual Taxpayer Identification Numbers (ITINs) to two classes of persons: 1) non-resident aliens who have a tax liability in the United States, and 2) aliens living in the United States who are ‘not authorized to work in the United States.’”

As long ago as 1999 the Treasury Inspector General drew attention to the problem, noting that the IRS was giving tax numbers to “undocumented aliens,” thus helping them to work illegally in the United States. “The IRS issues Individual Taxpayer Identification Numbers (ITINs) to undocumented aliens to improve nonresident alien compliance with tax laws,” the TIGTA’s 1999 report noted, adding that the IRS practice “seems counter-productive to the Immigration and Naturalization Service’s (INS) mission to identify undocumented aliens and prevent unlawful alien entry.”

According to Jeffrey, the 2012 audit report “was spurred by two IRS employees who went to members of Congress ‘alleging that IRS management was requiring employees to assign [ITINs] even when the applications were fraudulent.’” In a statement accompanying the audit report, Treasury Inspector General for Tax Administration J. Russell George confirmed that the audit “found that IRS management



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has not established adequate internal controls to detect and prevent the assignment of an ITIN to individuals submitting questionable applications. Even more troubling, TIGTA found an environment which discourages employees from detecting fraudulent applications.”

In addition to the over \$46 million in refunds it gave to the 23,994 unauthorized workers who claimed the single Atlanta address, the IRS also assigned an additional 15,796 ITIN’s to illegals using one Atlanta address. Additionally, according to the TIGTA, the IRS assigned ITINs to 15,028 illegals who supposedly resided at one address in Dallas, and 10,356 tax IDs to 10,356 illegals supposedly crammed into a single dwelling in Atlantic City, New Jersey.

But perhaps the “most remarkable act” of the IRS, wrote Jeffrey, was assigning 6,411 ITINs to illegals assigned to a single address in Morganton, North Carolina. “According to the 2010 Census,” Jeffrey explained, “there were only 16,681 people in Morganton. So, for the IRS to have been correct in issuing 6,411 ITINS to unauthorized aliens at a single address in Morganton, it would have meant that 38 percent of the town’s total population were unauthorized alien workers using a single address.”

According to TIGTA, a total of 154 addresses across the United States appeared on a thousand or more ITIN applications submitted to the IRS.



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