

Taxpayers should beware of ghost preparers

As people begin to file their 2020 tax returns, taxpayers are reminded to avoid unethical ghost tax return preparers.

A ghost preparer is someone who doesn't sign tax returns they prepare. Unscrupulous ghost preparers often print the return and have the taxpayer to sign and mail it to the IRS. For e-filed returns, the ghost will prepare but refuse to digitally sign as the paid preparer.

By law, anyone who is paid to prepare or assists in preparing federal tax returns must have a valid [Preparer Tax Identification Number](#). Paid preparers must sign and include their PTIN on the return. Not signing a return is a red flag that the paid preparer may be looking to make a quick profit by promising a big refund or charging fees based on the size of the refund.

Ghost tax return preparers may also:

- Require payment in cash only and not provide a receipt.
- Invent income to qualify their clients for tax credits.
- Claim fake deductions to boost the size of the refund.
- Direct refunds into their bank account, not the taxpayer's account.

It's important for taxpayers to choose their tax return preparer wisely. The [Choosing a Tax Professional](#) page on IRS.gov has information about tax preparer [credentials and qualifications](#). The IRS [Directory](#) of Federal Tax Return Preparers with Credentials and Select Qualifications can help identify many preparers by type of credential or qualification.

No matter who prepares their return, taxpayers should review it carefully and ask questions about anything that's not clear before signing. They should verify their routing and bank account number on the completed tax return for any [direct deposit](#) refund. Taxpayers should watch out for ghost preparers putting their bank account information on the returns.

Taxpayers can report preparer misconduct to using IRS [Form 14157](#), *Complaint: Tax Return Preparer*. If a taxpayer suspects a preparer filed or changed their tax return without their consent, they should file [Form 14157-A](#), *Tax Return Preparer Fraud or Misconduct Affidavit*.