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IRS Refund Recovery & Nonfiler Action Kit

A practical 20-page guide for taxpayers with missing federal returns

Understand IRS notices, locate missing records, assess possible refunds, and prepare for professional help.

Prepared by Urban AZ Financial | Phoenix, Arizona | November 2026

Free educational resource. Not an IRS publication and not a promise of refund eligibility.

Important: Do not send Social Security numbers, IRS transcripts, or tax documents through ordinary email. Use an approved secure portal.

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Start Here: Your Action Plan

Part 1 • Orientation

1. Identify the tax years you may not have filed.
2. Determine whether you were required to file for each year.
3. Gather IRS notices and confirm deadlines on each notice.
4. Request relevant account and wage-and-income transcripts.
5. Check refund claim deadlines and payment dates before delaying.
6. Prepare accurate returns or request qualified assistance.

A notice is not proof that a return was required or that the IRS calculation is correct.

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What the 73.2 Million Figure Means

Part 1 • Understanding the TIGTA findings

TIGTA reported 73.2 million potential individual nonfiler cases across tax years 2019–2023 at the end of fiscal 2025. These are cases, not distinct people or verified filing failures.

The IRS issued 3,157,055 nonfiler notices in fiscal 2025 versus 1,679,141 in fiscal 2024. Many 2025 notices related to tax year 2023.

The increase followed resumption of IRS return-delinquency notices after interruptions and a pause during earlier years.

Source: TIGTA report dated August 26, 2026:
https://www.tigta.gov/sites/default/files/reports/2026-08/20263S0045fr.pdf

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Did You Have to File?

Part 2 • Filing obligation screening

Filing requirements vary by filing status, age, gross income, self-employment earnings, and special circumstances. A person below the ordinary income threshold may still need to file.

- Self-employment net earnings of $400 or more can trigger a filing requirement.
- Certain advance credits, marketplace insurance reconciliations, and other taxes may require filing.
- Even if no return was required, filing may be necessary to claim refundable credits or withholding.

Check the IRS interactive filing requirement assistant and the rules for the specific tax year: https://www.irs.gov/individuals/check-if-you-need-to-file-a-tax-return

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Your Missing-Year Inventory

Part 2 • Worksheet

For each year, mark Filed / Not filed / Unsure; whether a notice arrived; and whether withholding or payments may exist.

2019 | Status | Notice | Payments | Next action

_____

2020 | Status | Notice | Payments | Next action

_____

2021 | Status | Notice | Payments | Next action

_____

2022 | Status | Notice | Payments | Next action

_____

2023 | Status | Notice | Payments | Next action

_____

2024 | Status | Notice | Payments | Next action

_____

2025 | Status | Notice | Payments | Next action

_____

2026 | Status | Notice | Payments | Next action

_____

Do not assume that an absent transcript means a return was never sent. Verify processing and correspondence.

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Understand Common IRS Notices

Part 3 • Notice review

- CP59: IRS records indicate no return was received for a specified year.
- CP515 / CP516: follow-up requests about missing returns.
- CP518: final reminder in the return-delinquency notice sequence.

Notice sequences and required actions vary. Read the actual letter, verify it is genuine, and follow its response instructions.

Official reference: https://www.irs.gov/businesses/small-businesses-self-employed/notices-for-past-due-tax-returns

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If an IRS Letter Arrives

Part 3 • Response checklist

7. Record the notice number, tax year, issue date, and response deadline.
8. Compare IRS information with your own records.
9. Confirm whether a return was already filed or whether an extension applied.
10. Prepare a complete response with supporting records.
11. Retain copies and evidence of mailing or electronic submission.

Never ignore a notice merely because you believe the IRS is mistaken.

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What Is a Substitute for Return?

Part 3 • SFR basics

Under Internal Revenue Code section 6020(b), the IRS may prepare a substitute return based on available information if a taxpayer does not file.

An SFR may omit favorable deductions, credits, filing-status facts, and expenses. It can lead to an assessment and subsequent collection activity.

A taxpayer may generally submit a properly prepared return for IRS consideration even after an SFR assessment, subject to procedural circumstances.

Taxpayer Advocate overview:
https://www.taxpayeradvocate.irs.gov/get-help/filing-returns/consequences-of-not-filing/

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SFR Correction Preparation

Part 3 • Documents to collect

- All IRS SFR-related notices, examination letters, and assessment records.
- W-2s, 1099s, business income and expense records.
- Dependent, filing status, education, retirement, and credit support.
- Account transcripts showing assessments, payments, and penalties.

Professional review is especially important if a statutory notice of deficiency, Tax Court deadline, levy, or lien is involved.

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Could an Unfiled Return Produce a Refund?

Part 4 • Refund screening

Withholding, estimated payments, and certain refundable credits can create a refund even when no return was filed. Refund eligibility is not established by withholding alone.

Calculate the actual tax liability using accurate filing status, income, deductions, credits, and payments for each year.

Do not rely on advertisements promising a guaranteed refund or suggesting every nonfiler is owed money.

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Refund Deadlines: The Critical Distinction

Part 4 • Statute of limitations

Refund claims are generally subject to the later of three years after the return was filed or two years after the tax was paid. Separate lookback rules limit the payments recoverable. For an original return filed late, withholding and estimated payments may be too old to refund.

For an unfiled 2023 calendar-year individual return originally due April 15, 2024, April 15, 2027 is generally the three-year anniversary of the original due date; extensions, special relief, payment dates, and other facts can alter the outcome.

Do not use a generic three-year rule as a substitute for a year-specific refund claim analysis.

IRS reference: https://www.irs.gov/filing/time-you-can-claim-a-credit-or-refund

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Refund Deadline Worksheet

Part 4 • Complete separately for each tax year

Tax year _____

Original filing due date _____

Valid extension? Date _____

Return filed? Actual date _____

Withholding / estimated payment dates _____

Other payments and dates _____

Applicable disaster or statutory relief _____

Claim deadline / lookback reviewed by _____

Do not enter sensitive tax identification numbers on this worksheet.

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How to Obtain IRS Transcripts

Part 5 • Records

12. Visit https://www.irs.gov/individuals/get-transcript and use the IRS online account or authorized transcript request methods.
13. Request account transcripts for return filing, assessments, payments, and IRS actions.
14. Request wage-and-income transcripts to identify W-2 and 1099 reporting.
15. Check transcript availability; some prior-year records may be limited or incomplete.

Transcripts are a starting point, not a replacement for business books, receipts, dependent records, or other source documents.

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Document Collection Checklist

Part 5 • Personal and business records

- Prior-year returns, IRS notices, and extension confirmations.
- W-2s, 1099s, unemployment, retirement, and investment forms.
- Business ledgers, invoices, receipts, mileage, and bank records.
- Mortgage interest, charitable contributions, and qualifying expenses.
- Dependent records, education costs, and health insurance documents.
- Proof of withholding, estimated tax payments, and prior IRS payments.

Use a secure client portal rather than emailing sensitive attachments.

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Prepare and File Prior-Year Returns

Part 6 • Filing process

16. Complete each year using that year's tax law and tax forms.
17. Reconcile income and payments to IRS records and your documentation.
18. Confirm filing status, dependents, deductions, credits, and signatures.
19. Use an IRS-supported electronic filing method if available for the year; otherwise follow current paper filing instructions.
20. Keep proof of filing and track processing.

Older years may require paper filing or special professional software. Confirm the current IRS accepted-year rules.

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When Tax Is Owed

Part 6 • Resolution options

Filing required returns is often an essential first step before obtaining many IRS collection alternatives.

- Pay in full if feasible; verify balances and payment application.
- Explore installment agreement eligibility and payment capacity.
- Review penalty relief possibilities where facts support them.
- Evaluate hardship or Offer in Compromise options only when appropriate.

Do not promise penalty removal, acceptance of an offer, or suspension of collection.

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Your 30-Day Recovery Plan

Part 6 • Action schedule

Days 1–3

Inventory missing years and gather notices. Identify any urgent IRS or refund deadlines.

Days 4–10

Obtain transcripts and request missing source documents.

Days 11–20

Reconstruct income and deductions; evaluate filing requirements and refund limits.

Days 21–30

Complete returns, review accuracy, file using accepted methods, and track IRS follow-up.

This is an organizational example, not a recommendation to wait if a legal deadline is sooner.

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When to Request Professional Assistance

Part 7 • Decision guide

- Multiple missing years or incomplete business records.
- IRS Substitute for Return assessment or examination notice.
- A potential refund close to a statutory deadline.
- Collection notices, liens, levies, or substantial balances.
- Uncertain filing obligations, complicated credits, or identity theft concerns.

Urban AZ Financial can help assess the appropriate preparation and compliance services. Representation before the IRS is provided only by appropriately authorized professionals within their authority.

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Secure Assessment Preparation

Part 7 • Client intake

Years needing review _____

IRS notice numbers and response dates _____

Return filing status: filed / unfiled / uncertain

_____

Potential withholding or estimated payments

_____

Best contact method _____

Do not place SSNs, account credentials, or full financial records into a general website contact form.

Ask for a secure document submission link before transmitting sensitive records.

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Next Steps & Official Resources

Part 7 • Get help

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Request a confidential nonfiler assessment through the Urban AZ Financial secure client process.

Official resources

TIGTA report: https://www.tigta.gov/sites/default/files/reports/2026-08/20263S0045fr.pdf

IRS past-due return notices: https://www.irs.gov/businesses/small-businesses-self-employed/notices-for-past-due-tax-returns

IRS transcripts: https://www.irs.gov/individuals/get-transcript

IRS refund claims: https://www.irs.gov/filing/time-you-can-claim-a-credit-or-refund

Taxpayer Advocate: https://www.taxpayeradvocate.irs.gov/get-help/filing-returns/consequences-of-not-filing/

Disclaimer: General educational material; individual deadlines and remedies require fact-specific analysis. No IRS affiliation or guaranteed result.