


Overstated Withholding May Delay Your Tax Refund

With tax season well underway, Division of Revenue  officials are noting an uptick in Delaware returns reporting overstated Delaware income tax withholding. The appropriate amount to report is limited to the total in Box 17 of the W-2 form provided by your employer (or the sum of those amounts if you have multiple employers), plus any state income tax withholding reported on a Form 1099-R.

Division of Revenue Director, Jennifer R. Hudson, Esq. noted “We are reviewing all returns that have overstated withholding, and they may be treated as fraudulent returns.”

Overstated withholding can be a sign of fraud, and returns with higher amounts than usual are being treated as suspicious. That means these returns will be pulled for review, extending the length of time required to process your return – and potentially delaying your refund.

If you have questions about the appropriate amounts to report, please contact the Division of Revenue Public Service area at 302-577-8200, or 1-800-292-7826.