

IRS is Changing Paper Checks to Electronic Payments

Dear Client,

As you may have heard, on September 23, 2025 the IRS announced that beginning on September 30th, 2025 they are going to phase out paper refund checks. This directly affects individual taxpayers, requesting they opt for direct deposit instead. There will be a few, limited alternatives for taxpayers that do not have access to a bank account, such as prepaid debit cards or digital wallets. This change will be in effect for tax filings in 2026 for the 2025 tax year.

The switch to electronic payments is designed to be safer, faster, and more efficient. The IRS cites that paper checks are 16 more times likely to be tampered with, lost, delayed or stolen than electronic payments. Another benefit of electronic payments is that they generally take only 21 days from the date of electronic filing to receive, while paper checks can take up to six weeks to issue.

Nothing will change when filing other than providing your bank account information to your tax preparer to include on your return for the distribution of your refund if applicable.

The IRS is also preparing to transition tax payments to fully electronic methods as well. They will provide additional guidance on this mandate at a later date and advise that you continue making your tax payments as you normally would.

As always, please feel free to contact us if you have any questions.

Yours truly,

Green, Polack & Company
Accountancy Corporation
November 5, 2025