

## GOVERNMENT

# IRS glitch costs U.S. up to \$300M

**WASHINGTON** — The Internal Revenue Service cost the government \$200 million to \$300 million this year because a computer program that screens tax returns for fraudulent refunds wasn't operating.

The tax agency said Friday a contractor promised to deliver by January a new version of a program, used since 1996, that searches for signs of fraud in every tax return claiming a refund. The contractor, Computer Sciences Corp., did not produce a working program by the deadline, and IRS officials could not put the old program back into operation in time for this spring's tax filing deadline.

As a result, the IRS has stopped only 34 percent of the fraudulent refund claims that it had caught by this time last year, the tax collectors said. It estimates the loss to the government at \$200 million to \$300 million.

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