

IRS FREE FILE PROGRAM



Free File is a public-private partnership between brand name tax software companies and the Internal Revenue Service (IRS) and 23 state Departments of Revenue. It enables people who earn \$66,000 or less to choose from among a dozen commercial tax preparation products to prepare and file their federal return - and in many cases their state return - for no cost.

100 million individuals, or 70% of all taxpayers, are eligible to use the tax software products available through Free File. Each tax software company has different eligibility criteria, basing it on taxpayers' income, state residency, age, military service or eligibility for Earned Income Tax Credit (EITC). *All* taxpayers are eligible to use Free File Fillable Forms to electronically enter their federal tax data into IRS forms and e-file the tax forms directly to the IRS for free.

These states sponsor State Free File programs modeled on the IRS Free File program, ensuring eligible taxpayers can prepare and file their federal *and* state returns for free: Arkansas, Arizona, Georgia, Idaho, Indiana, Iowa, Kentucky, Massachusetts, Michigan, Minnesota, Missouri, Mississippi, Montana, New York, North Carolina, North Dakota, Oregon, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, and the District of Columbia.

There are many benefits to Free File

Using Free File is fast, easy, and safe.

- It is available 24 hours a day, seven days a week throughout the entire tax season, mid-January through mid-October. It can be accessed on computers *and* smart phones
- Tax software products are constantly updated to give taxpayers the most up to date information to complete their return accurately.
- Software products guide taxpayers through the process of filing online, cutting down on errors, helping them easily determine all possible deductions and credits and providing taxpayers an acknowledgement when their return is received.
- Cross-marketing, cross-selling, and pop-up advertising is prohibited in products offered through Free File. Refund anticipation loans are banned. And if there is a charge for a state return, Free File requires complete transparency and disclosure in pricing.
- Consumer Choice. Free File enables taxpayers to use the best-known and most trusted commercial tax preparation software products for free.
- Saving for the Government. Because the tax software companies donate their products this program comes at no cost to the government. Free File also helps the government save on processing returns; according to the IRS (2012) it cost \$3.49 more to process a paper return than to process an *e-filed* return.
- Strong Cybersecurity Protections. Through the IRS Security Summit, the IRS, State Department of Revenues and the tax, technology, payroll, and financial services industries work together to fight stolen identity tax refund fraud (SIRF). This collaborative process has created a uniform set of security requirements and standards to defend the tax system against SIRF. All software products donated through Free File must comply with these requirements.

Free File is a companion to IRS Volunteer Income Tax Assistance (VITA) programs that also provide reliable tax preparation to the public at no cost. VITA services are offered through thousands of community-based organizations and connect taxpayers to IRS-certified volunteers who are trained – and deeply passionate about – preparing returns for eligible individuals and families. Some VITAs also provide taxpayers access to Free File products at their sites, designating computers, workstations and volunteers for coaching and encouragement as the taxpayer prepares his returns with the tax software.

www.irs.gov/freefile