

THE TAX PICTURE

Majority of Tax Payers Can E-File For FREE

(NAPSA)—Saving time and money is almost always a priority, especially during tax season. This year, more than 60 percent of Americans can do both as a result of Free File. Taxpayers who qualify for this new program can prepare and electronically file their taxes for free.

Free File

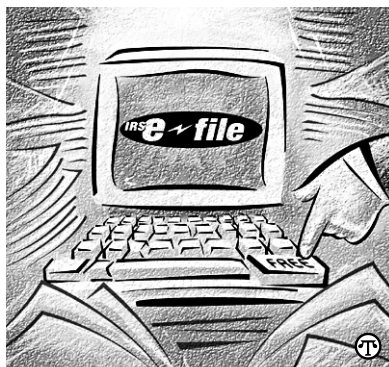
Free File is the result of a unique partnership between the federal government and tax software companies. It offers no-cost, electronic filing resources through the IRS Web site. Each participating software company sets its own Free File criteria. To determine eligibility, visit the Free File page on www.irs.gov or www.firstgov.gov and click on the “Start Now” button. Browse through each company’s requirements or fill out a questionnaire to find out if Free File services are available to you. You will need to provide the following:

- Age
- Spouse’s age, if applicable
- State of residence
- Adjusted Gross Income
- Form 1040EZ eligibility
- Earned Income Tax Credit eligibility
- Military status

“Last year, nearly 50 million people took advantage of the conveniences of IRS *e-file*,” said Terry Lutes, IRS Director of Electronic Tax Administration. “We believe that millions more will experience IRS *e-file* benefits with the introduction of Free File.”

Happy Paperless Trails

Besides the new Free File service, minimizing paper clutter and



More than 60 percent of Americans are eligible to file their taxes online—for free.

making the most of time are benefits of using IRS *e-file*. E-filers receive their refunds in about half of the time of those who file with paper forms, and people opting for direct deposit will have refund checks deposited in as few as 10 days. If you owe, payment can be delayed until April 15.

E-filers also have the comfort of knowing the status of their return. Within 48 hours of clicking “submit,” taxpayers receive a proof of receipt, letting them know if their return is being processed or if more information is needed. Because e-filed returns are scanned automatically, the error rate is less than one percent. As security is top priority for the IRS, taxpayer information submitted when using IRS *e-file* is not shared and is used only for the process of filing returns.

For more information on IRS *e-file* and Free File services, visit www.irs.gov.